

CITY COUNCIL MINUTES

August 11, 2014

The Honorable Council of the City of Evansville met on regular session at 5:30 p.m. on Monday, August 11, 2014 in the City Council Chambers, Room 301 Civic Center Complex, Evansville, Indiana, with President John Friend presiding and conducting the following business.

Meticulous effort was employed to present a verbatim transcript of this meeting. Audio recordings of this meeting are on file in the City Clerk's Office.

President Friend: The Honorable Council of the City of Evansville is hereby called to order. Madam Clerk, please call the roll.

ROLL CALL:

Present: McGinn, Mosby, Brinkerhoff-Riley, Robinson, Lindsey, Adams, O'Daniel, Weaver, Friend

President Friend: With nine (9) present and zero (0) absent, the members representing a quorum, I hereby declare this session of Common Council open, officially open.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance; could Dan McGinn, would you do that for us? Thanks Dan.

President Friend: Welcome Councilmen, and all those in the audience, to our August 11, 2014 meeting of the Common Council.

COUNCIL ATTORNEY

Our attorney tonight is Scott Danks.

SERGEANT AT ARMS

We'd like to thank Officers Jones and Saltzman for joining us tonight. That you so much as Sergeants at Arms.

President Friend: I need a motion to approve the minutes of the July 14th and 28th meetings of the Council.

I had a motion by Councilwoman Mosby and seconded by Councilman O'Daniel. Ayes? Nay? *(Unanimous Ayes)* That goes forth.

Reports and Communications.

City Clerk Windhorst: Sure.

REPORTS AND COMMUNICATIONS

IN YOUR AUGUST 8th PACKET:

- * City Council Meeting Agenda and Committee Meeting Schedule for August 11, 2014
- * Ordinance F-2014-10
- * Resolutions C-2014-21, C-2014-22, C-2014-23 and C-2014-24
- * June 2014 Financial Report
- * Evansville Redevelopment Commission Meeting Minutes dated July 15, 2014

EMAILED MATERIAL:

- * City Council Meeting Minutes for July 14 and July 28, 2014
- * Evansville Redevelopment Commission Annual August 1st TIF Report
- * Thank you note from Kathy Rosa

ON YOUR DESK THIS EVENING:

- * Extended Agenda
- * Ordinance R-2014-19

Shortly, on your desk will be 2015 Budget Books, 2015 Capital Improvement Plan, and 2015 Joint Department Budget Books.

President Friend: Is there a motion to receive, file and make these reports and communications a part of our meeting this evening?

Councilman O'Daniel: So moved.

President Friend: I had a motion by...

Councilwoman Mosby: Second.

President Friend:...Councilman O'Daniel and seconded by Councilwoman Mosby. Ayes? Nays? (*Unanimous Ayes*) Goes forth.

CONSENT AGENDA

FIRST READING OF ORDINANCES AND RESOLUTIONS

<u>ORDINANCE F-2014-10</u>	<u>FINANCE</u>	<u>O'DANIEL</u>
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An Ordinance of the Common Council of the City of Evansville Authorizing Transfers of Appropriations, Additional Appropriations and Repeal and Re-Appropriation of Funds for Various City Funds

<u>RESOLUTION C-2014-21</u>	<u>FINANCE</u>	<u>McGINN</u>
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A Preliminary Resolution of the Common Council of the City of Evansville Declaring an Economic Revitalization Area for Property Tax Phase-In for the Construction of Real Property (HK Partners, LLC)

ORDINANCE R-2014-18**APC****C-4 to C-2**

An Ordinance to Rezone Certain Real Estate in the City of Evansville, State of Indiana,
More Commonly Known as 2131 W. Franklin Street

Petitioner: K.D.E. Properties, LLC

Owners: Same

Representative: Same

District: Al Lindsey, Ward 6

President Friend: Is there a motion to adopt the Consent Agenda as written?

Councilman O'Daniel: So moved.

Councilwoman Mosby: Second.

President Friend: I had a motion by Councilman O'Daniel, seconded by Councilwoman Mosby. Ayes? Nays? *(Unanimous Ayes)*

CONSENT AGENDA**SECOND READING OF ZONING ORDINANCES****ORDINANCE R-2014-11****APC****M-3 to R-2**

An Ordinance to Rezone Certain Real Estate in the City of Evansville, State of Indiana,
more commonly known as 915 N. Evans Avenue

Petitioner: Clayton Daugherty

Owners: Same

Representative: Same

District: Stephanie Brinkerhoff-Riley, Ward 3

This petition comes forward with a recommendation for approval from the Area Plan Commission, having 10 affirmative votes.

President Friend: Okay, is there a motion to adopt the Consent Agenda for Second Reading of Zoning Ordinances...

Councilwoman Mosby: So moved

President Friend:...(and) accept the Area Plan Comm...I had a motion by...

Councilwoman Robinson: Second.

President Friend:...Councilman...Councilwoman Mosby and seconded by Councilwoman Robinson. Ayes? Nays? *(Unanimous Ayes)* That goes forth.

REGULAR AGENDA

THIRD READING OF ZONING ORDINANCES

ORDINANCE R-2014-11

APC

M-3 to R-2

An Ordinance to Rezone Certain Real Estate in the City of Evansville, State of Indiana,
more commonly known as 915 N. Evans Avenue

Petitioner: Clayton Daugherty

President Friend: Yes. Somebody here? Clayton? Yes.

Can you state your name, obviously for the record, and address?

Clayton Daugherty: Clayton Daugherty, 11536 Copperline Road East.

President Friend: Thanks Clayton. What you got in mind out there?

Clayton Daugherty: What's that?

President Friend: What do you plan to do?

Clayton Daugherty: Try and sell it.

President Friend: Try and sell it?

Clayton Daugherty: They cannot get a mortgage with that zoning.

President Friend: That would be tough; M-3, that's pretty tough.

Clayton Daugherty: Yeah.

President Friend: Can...did...I believe, Stephanie, this is in your ward, I believe. Did you have any problems with this?

Councilwoman Brinkerhoff-Riley: No, I mean it's a downzoning and I understand the issues. I mean it's clearly a...it's a single family home. Is that correct?

Clayton Daugherty: Yeah.

Councilwoman Brinkerhoff-Riley: No, it's a great move to bring it down.

Clayton Daugherty: That's what my wife thinks.

Laughter

President Friend: I got to ask this que...anybody...

Clayton Daugherty: She wants it gone.

President Friend: Clayton, I got to ask. Anybody in the audience have problems with this either way? One way or the other?

With that, I entertain a motion...

Councilwoman Mosby: So moved.

President Friend:...to adopt Resolution...

Councilwoman Robinson: Second.

President Friend: I mean Ordinance R-2014-11. I had a motion by Councilman Weaver and seconded by Councilwoman Mosby. Madam Clerk, please call the roll as it relates to R-2014-11.

ROLL CALL:

Ayes: McGinn, Mosby, Brinkerhoff-Riley, Robinson, Lindsey, Adams, O'Daniel, Weaver, Friend

President Friend: With nine (9) ayes and zero (0) nays, Ordinance, have to be safe, R-2014-11 is hereby declared adopted.

Clayton Daugherty: Thank you.

President Friend: Thank you Clayton for coming out.

CONSENT AGENDA

SECOND READING OF ORDINANCES AND RESOLUTIONS

<u>ORDINANCE G-2014-14</u>	<u>A.S.D.</u>	<u>ADAMS</u>
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An Ordinance Repealing and Replacing Chapter 8.05.260 through 8.05.290 Health and Sanitation of the Evansville Municipal Code (Lead Poisoning)

<u>ORDINANCE G-2014-18</u>	<u>PUBLIC WORKS</u>	<u>FRIEND</u>
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An Ordinance to Vacate a Portion of an Existing 30 Foot Easement Lying on the East Side of Lot 31 in Eastside Industrial Park, as per Plat thereof, recorded in Plat Book L, Page 44, within the City of Evansville, Indiana, More Commonly Known as 5500 Old Boonville Highway

ORDINANCE G-2014-19**PUBLIC WORKS****LINDSEY**

An Ordinance to Vacate Certain Public Ways or Public Places within the City of Evansville, Indiana, Commonly Known as the Alleyway in the 300 Block of Fulton Avenue Between Michigan Street and Franklin Street; West Michigan Street between Fifth and Sixth Avenue; and a Portion of North Fifth Avenue Adjacent to 1301 W. Virginia Street

ORDINANCE F-2014-9**FINANCE****O'DANIEL**

An Ordinance of the Common Council of the City of Evansville Authorizing Re-Appropriations and Additional Appropriations of Funds within a City Department (DMD)

COMMITTEE REPORTS:

President Friend: A.S.D. Committee; Dr. Adams.

Council Attorney Danks: Dr. Adams, if I may, at this point you should move to withdraw that ordinance.

Councilman Adams: Thank you. That's exactly what I was going to do but I appreciate the advice sir.

Council Attorney Danks: Certainly.

Councilman Adams: Mr. President, the A.S.D. Committee met and we are coming forth to withdraw Ordinance G-2014-14.

President Friend: Okay, thank you Dr. Adams.

FINANCE COMMITTEE**CHAIRMAN O'DANIEL**

Chairman O'Daniel: Mister President, your Finance Committee met this evening to hear *Ordinance F-2014-9*. It comes forward with a do-pass recommendation.

PUBLIC WORKS COMMITTEE:**CHAIRMAN LINDSEY**

Chairman Lindsey: Mister President, your Public Works Committee met this evening to hear *Ordinances G-2014-18 and G-2014-19* and both came forward with a do-pass.

President Friend: I need a motion to adopt these Committee Reports and move the Ordinances to Third Reading.

Councilman Lindsey: So moved.

City Clerk Windhorst: Do we need to vote on that?

Councilwoman Mosby: Second.

President Friend: I have a motion by Councilman Lindsey and seconded by Councilwoman Mosby. Thank you.

Council Attorney Danks: *(Off Mic)* You ought to take a vote on the Third Reading.

City Clerk Windhorst: Okay.

Council Attorney Danks: *(Off Mic)* It'll come back around.

President Friend: Okay. All right, I need ayes on this. Nays? *(Unanimous Ayes)* That goes forth.

REGULAR AGENDA

THIRD READING OF ORDINANCES AND RESOLUTIONS

<u>ORDINANCE G-2014-14</u>	<u>A.S.D.</u>	<u>ADAMS</u>
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An Ordinance Repealing and Replacing Chapter 8.05.260 through 8.05.290 Health and Sanitation of the Evansville Municipal Code (Lead Poisoning)

Council Attorney Danks: Dr. Adams, if you would please make a motion to withdraw that ordinance and then we'll need a second and then it'll have to go to a vote.

Councilman Adams: Mr. President, I make a motion to withdraw the ordinance.

Councilwoman Mosby: Second.

President Friend: I had a motion to withdraw Ordinance G-2014-14 by Dr. Adams and it's seconded by Councilwoman Mosby. We just do a aye vote, right?

Council Attorney Danks: I think so, yes.

President Friend: Aye vote it'd be good. Ayes? Nays? *(Unanimous Ayes)* Well that stands. Thank you.

Let's move on to the Regular Agenda, Third Reading of Ordinances and Resolutions.

REGULAR AGENDA

THIRD READING OF ORDINANCES AND RESOLUTIONS

ORDINANCE G-2014-18

PUBLIC WORKS

FRIEND

An Ordinance to Vacate a Portion of an Existing 30 Foot Easement Lying on the East Side of Lot 31 in Eastside Industrial Park, as per Plat thereof, recorded in Plat Book L, Page 44, within the City of Evansville, Indiana, More Commonly Known as 5500 Old Boonville Highway

President Friend: I need a motion to adopt Ordinance G-2014-18.

Councilman O'Daniel: So moved.

President Friend: Motion by Councilman O'Daniel and seconded by...

Councilman Weaver: Second.

President Friend:...Councilman Weaver. Please call the roll Madam Clerk.

ROLL CALL:

Ayes: McGinn, Mosby, Brinkerhoff-Riley, Robinson, Lindsey, Adams, O'Daniel, Weaver, Friend

President Friend: With nine (9) ayes, zero (0) nays, Ordinance G-2014-18 is hereby declared adopted.

REGULAR AGENDA

THIRD READING OF ORDINANCES AND RESOLUTIONS

ORDINANCE G-2014-19

PUBLIC WORKS

LINDSEY

An Ordinance to Vacate Certain Public Ways or Public Places within the City of Evansville, Indiana, Commonly Known as the Alleyway in the 300 Block of Fulton Avenue Between Michigan Street and Franklin Street; West Michigan Street between Fifth and Sixth Avenue; and a Portion of North Fifth Avenue Adjacent to 1301 W. Virginia Street

President Friend: Need a motion...

Councilman Lindsey: So moved.

President Friend:...for G-2014-19.

Councilman Weaver: Second.

President Friend: I had a motion made by Councilman Lindsey, seconded by Councilman Weaver. Aye? We got to go to...call the roll, Madam Clerk, for G-2014-19.

ROLL CALL:

Ayes: McGinn, Mosby, Brinkerhoff-Riley, Robinson, Lindsey, Adams, O'Daniel, Weaver, Friend

President Friend: Nine (9) ayes and zero (0) nays, Ordinance G-2014-19 is hereby declared adopted.

REGULAR AGENDA

THIRD READING OF ORDINANCES AND RESOLUTIONS

ORDINANCE F-2014-9

FINANCE

O'DANIEL

An Ordinance of the Common Council of the City of Evansville Authorizing Re-Appropriations and Additional Appropriations of Funds within a City Department (DMD)

President Friend: Motion for Ordinance F-2014-9?

Councilwoman Brinkerhoff-Riley: So moved.

President Friend: Had a motion by Councilwoman Brinkerhoff-Riley and seconded by...?

Councilman Lindsey: Second.

President Friend: Councilman Lindsey. Please call the roll as it relates to F-2014-9.

ROLL CALL:

Ayes: McGinn, Mosby, Brinkerhoff-Riley, Robinson, Lindsey, Adams, O'Daniel, Weaver, Friend

President Friend: Nine (9) ayes, zero (0) nays, Ordinance F-2014-9 is hereby declared adopted.

MISCELLANEOUS BUSINESS

Next Monday, which will be on August 18th, we will not have a Council meeting but on the 25th starting at 5:30 here, Room 301, we will be starting the meeting at that point in time, but the Committee Meetings will start at 5:00 (*p.m.*)

Now up would be, I...which would be Allen Mounts and Johnson Controls. Allen? Yes.

Utilities Director Mounts: Good evening Council. Good to see you all.

President Friend: Thanks Allen, for coming up tonight.

Utilities Director Mounts: Sure.

President Friend: Appreciate your...

Utilities Director Mounts: I'm just going to give you a brief overview a major initiative that the Utility's working on. We call it Smart City 2.0 and this was an initiative that was approved by City Council; funding for that late last year, and so this is a progress report. These are projects that usually have a duration of about 18 months to 24 months so we thought it was timely and I appreciate John asking, and Conor asking, that I give you guys an update on this.

There. I'll just give you a quick overview, and this is sort of the agenda items I'll be covering for you, but a little bit of background information about how we got to where we are, where are we today, and how do things stand. And a little bit about each of the projects, if you will.

If you recall, this was a unique arrangement in that it was a guaranteed savings contract, which is guarantee...which is permitted by Indiana state statute. It's a means of funding projects without having to raise rates to pay for capital initiatives both on the water side and the sewer side.

So these projects, specifically, they're increased revenues or they reduce the operating expenses for the Utility. Also, these are projects that will improve services for Utility customers. They'll modernize our infrastructure and allows us to leverage current technology, rather than old systems that we have, plus a really neat feature is that it allows us to co-generate electricity for one of the projects, and I'll talk a little bit more about in a second, and also just...I'll cover with you that the net savings from this, over the long term, are significant and more than cover the cost of the bond service, or debt service, that we have.

To refresh your memory, there are components of this project that are both water and sewer. The water projects total over about 15½ million dollars. The sewer projects are around 29, a little north of 29 million dollars for 45½ million dollars as the total project spend for this. That was approved.

Just also to refresh your memory, on the water side the Water Utility is governed by the Indiana Utility Regulatory Commission. We had to get financing authority through them as well as City Council, giving authority to authorize the bonds for the sewer side projects as well.

Just a couple highlights I wanted to hit at that weren't in the original contract that we have but what you approved, we had funding in there to increase the amount of the

owner's contingency. In other words, if something came up unexpectedly, would we have additional funds, and we increased that from about a million dollars to 3½ million dollars so the bond funds are there to cover those contingencies and I'll talk about that a little bit later on, plus we funded the debt service on the bond service that we have. And debt service basically is...our debt service reserve is...it's kind of like a guarantee that if you miss a bond payment, you have those funds that you can use to continue your bond payment.

And then on a net basis then, the construction, non-construction, financing costs, etc. plus capitalized interest is about 13.7 million for the water, 24.1 on the sewer for a combined total 37.8 million dollars.

The project is made up of a variety of...actually the program is made up of a variety of projects. This pie chart, I'll let you see it, about 70% of the initiative is all based on the meter replacement, the meter upgrade to an automated meter reader infrastructure system which allows us to have transmitters at the water meter transmit to towers, data collection towers, and then on in to a centralized server for us to process that. Today we have meter readers who go around with a wand and read each of the meters that we have so it'll improve the efficiency and timeliness of being able to receive data rather than once a month. We'll basically be able to get real-time data and we haven't configured that yet but it might be reading, you know, hourly or four...every four hours.

The other major project is the F.O.G. Cogeneration Program. F.O.G. stands for Fats, Oils, and Grease and it accounts for about 16% of the project. What's unique about this is that we're able to take methane that's produced from fats, oils and grease at the waste treatment plant and convert that into electricity to help generate power for the plant. In other words, it's an overall initiative to help us move to continue to get off the electric grid, if you will, so it moves us in that direction.

About 8% of the projects' funding was for what's called a centrifuge. Basically when we get finished processing, you have solids that are left that have water in it so it's a de-watering process and it reduces the tonnage that we have to take to the landfill and so it'll reduce our cost from that perspective.

And then there's a couple other projects that fall into energy control, lighting, HVAC, power correction and also some automation of the projects that we head.

In terms of where are we today with those projects, on the water side, water meter related, we're about 25% or so completed on the water meter replacement upgrades to those systems. There are about 45,000 water meters that we're upgrading and another 15...excuse me, replacing and upgrading, and another about 15,000, 16,000 that we are upgrading to wireless technologies cause they're newer meters than we have.

On the commercial side, we're about halfway there in terms of upgrades to the commercial and industrial meters and then the...what's called the Automated Meter Infrastructure system itself. This is the wireless technology to collect the data. We are about 70% completed in that project. That involves installing IT equipment as well as data collection towers around the city to be able to read the...that data.

The one project that we've not focused on, which is a really small component of the projects that we had in this contract, was leak detection. It's really more of a downstream initiative that we'll work on as we free-up capacity from within the Utility to focus on that but leak detection, basically, are monitors that we can put in the waterline to listen to see if it can hear for a leak between point A and point B, and it's just a way to get better information on whether or not a leak is there or not.

It's estimated that these projects will be wrapped up sometime between third and fourth quarter, 2015, which puts us into that sort of two-year timeframe, 18 months plus timeframe. Of course, weather is a factor in that. We kind of had a slow start this year with the arctic blast that we had. That made it kind of rough to get out there and place the meters so barring no similar return for that next year, we should be on a good glide path for getting that wrapped up.

We have a variety of projects that are in our treatment plants. Most of them are at the waste treatment plant, particularly at the East treatment plant. I won't go into detail on all these but some of it has to do with automation that will improve process...processes that we follow to treat and wastewater. A centrifuge, I mentioned to you before, is basically getting water out of the solids. The fats, oils and grease is about 50% complete and it's a fairly large-scale project there. The HVAC and lighting upgrades are almost finished. The lighting upgrades in fact are completed. And then with some of the larger motors that we have, the power factor correction really is a way of installing variable speed motors that ramp up based on the usage that you need, whereas if you...motors that we have today, in some locations, when you turn it really sucks a lot of electricity so this will save us on our utility charges.

We expect that those projects should wrap-up around fourth quarter, (*Inaudible*) tail-end of 2014 or they could carry over into the first quarter of next year but they're not near as long-term as with the water meter replacement.

I mentioned to you before that one of the things we did was strengthen our funding for contingencies. We have spent some of the contingency money. The original contingencies had about \$700,000 allocated to the water side, about 2.8 for the sewer, for a total of 3.5 million dollars. To date we have a balance of \$590,000 on the water side, 2.3 million dollars on the sewer side for a net balance of 2.8 million dollars. The most significant change in that has to do with an initia...a couple of initiatives that we

approved for the sewer side specific to the F.O.G. generation program. We have septic waste haulers who are bulk haulers that need to take their septic waste somewhere and we do receive that but the manner in which we receive it can cause disruption in the waste treatment plant because it's too strong and it's just going straight into the system. The second thing is we can cure that by bringing it into the F.O.G. program and actually use the septic now to produce methane, which should improve our electricity production out of the treatment plant, so we thought strategically that made sense to do that, to improve the way in which we handle septic waste, as well as generate more electricity for the plant.

And then the third funding that we spent on the contingency was to improve the environment where we are putting the generators that are producing the electricity for us. Under the original plan, we were going to house it in a metal container. We've now retrofitted an existing building that was not being utilized and the process of retrofitting that, it gives us the capacity to add a third generator down the line if we're able to bring other processes in to improve...increase methane production, if you will.

Just a quick review. I mentioned that both the water and sewer side were funded by being able to either reduce expenses or increase revenue. Under the modeling for the original contract, using the very conservative assumptions there, we would have had almost 10 million dollars in net savings over the 20-year period, but if you factor in the rate increases that we will have as a result of sewer rate increases, which you're all very much keenly aware, and forecasting water rate increases, we could be north of 50 million dollars in terms of net savings over the 20-year period so bottom line is it's a good deal for us to undertake these initiatives and use this program to fund those projects rather than increasing rates to do that.

But it's not only about a financial improvement. These systems that we're putting in place will help us improve customer service; would not be able to do that without the technology being in place. It provides more fair and accurate and quicker billing for us to read those and respond to customer inquiries. It helps us reduce our energy consumption. It helps make us more sustainable and just a whole variety of other things, not to mention that we've been able to create local jobs, particularly on the construction side as we move forward with these projects.

There were two things that I talked to the Council about whenever we moved forward with this project. One was, you know, bringing in expertise in terms of helping us oversee; another set of eyes in construction activities that are here and we're able to do that. Fortunately, we were able to hire a gentleman by the name of Steve Capin. Steve is an Evansville native, worked for PPMI as a corporate vice-president and was responsible for 100+ construction projects in a year, on an annual basis, so he brings a unique set of skills with him. He's been a wonderful addition in terms of being able to stay on top of

the projects and make sure they're going smoothly. I think the fact of where we are with the projects is a testament to his ability to help be our representative and quarterback. Activities are happening and make sure we're on a good glide path.

The second aspect was a request that we bring in accounting expertise as another set of eyes and I'm pleased to report that we were able to retain a representative from BKD, a guy by the name of Rand Gambrell and you can see Rand's credentials there but he works for the Forensics and Evaluations Services. He has an exhaustive list of background. He's looked at our payment processes, looked at the validation for what we're being billed for services to insure that they're reasonable and so far we've gotten checkmarks on all that; looks very good and he continues to be engaged and involved with us as payments come through cause it's a very large scale project.

In your deck, and I'm not going to bring these up, but if you are interested in looking at a few pictures I've put a few pictures in there for you to look at for the various projects, but I'd be happy to entertain any questions you have. We also have Johnson Controls representatives here this evening if you had questions specific to Johnson Controls.

John, that's all I have for my presentation.

President Friend: Yeah.

Councilman Lindsey: Thanks, I appreciate that. I got a couple of questions for you. One is...it's about scope of work and what I mean by that is where does Johnson Control begin and end and then when does our department come into play as far as...let me clarify that. Say like they come in and change a meter, do the work they're doing. Do they just walk away and does our people come in and if there's any damage caused or if there's any clean-up or anything secondary that has to be done, does our...does the Water Department handle that or is that...

Utilities Director Mounts: No, if...

Councilman Lindsey: How's that done?

Utilities Director Mounts: If there are issues that require being cured during the duration of the contract, they would take care of remedying those issues.

Councilman Lindsey: Johnson would?

Utilities Director Mounts: Johnson Controls would take care to remedy those.

Speaking Simultaneously

Councilman Lindsey: Johnson Controls. Okay.

Utilities Director Mounts: Now at some point when we're finished with all of the construction projects and as they become operational, then it becomes our responsibility going forward but there's a point where we have to say we're willing to accept that they are at that point in the process.

Councilman Lindsey: So you have someone goes...you have someone that goes out then and looks at the...at the area where whatever they're doing and clears it, then it's okay, it's good to go, and then after that it becomes the City's responsibility as far as any breaks or anything that comes.

Utilities Director Mounts: We actually...it depends on what you're talking about. If it's on the meter side we have our field people jointly working, partnering with Johnson Controls and the team that's doing installation there. If they identify issues, they'll let us know that there's an issue there and then we discuss whether or not...where does the issue lie, who's responsible for it, how's it cured.

Councilman Lindsey: So you do that on all of 'em. Okay. So if a...okay, let me ask you this then. If a...say something happens and Johnson Controls has done something that's caused damage other than you know what...you know what they would handle themselves and then we have to send a crew out. Does that a...does that come...does that come from them? Does the monies come from them for this overtime or does that come out of your budget?

Utilities Director Mounts: Uhm, can you give me an example of what you're...

Councilman Lindsey: Well, I mean it's like a...if they leave a...if they leave some clean-up there or if they damage something due to the movement of the meter, you know, replacing it or whatever and...

Utilities Director Mounts: Under the terms of the contract, if you're talking about a meter, is it primarily *(Inaudible)*...

Councilman Lindsey: Right, or anything that has to do with this...this project. Anything that...

Utilities Director Mounts: Well, we have...the reason I'm asking for clarification is because at the waste treatment plant it would be, if you're talking about the F.O.G. program, we're really not even close to being operational with that...

Councilman Lindsey: Right.

Utilities Director Mounts:...but they would be there with us until we were willing to accept it and it'd be similar to a lot of construction projects. Until we've inspected it and agreed to take it on then they're still on the hook, if you will.

Councilman Lindsey: Okay.

Utilities Director Mounts: If it's on the meter side, as situations are resolved...I mean if an issue occurs on the meter, side under the contract if something breaks within two feet, that's their responsibility. We've had thing that have broken outside of that...

Councilman Lindsey: Right.

Utilities Director Mounts:...but we've agreed to how we're going to work through those jointly and so as those issues are identified, we work through those.

Councilman Lindsey: So nothing about this project has caused a lot of over...excess overtime as far as you know.

Utilities Director Mounts: No, no. Not aware of any excess.

Speaking Simultaneously

Councilman Lindsey: So you think it's standard? The overtime that's being worked is standard of what...what they normally do.

Utilities Director Mounts: Our folks are busy enough out there taking care of sewer lines and water lines...

Speaking Simultaneously

Councilman Lindsey: Right, well yeah, I understand that.

Utilities Director Mounts:...so I think they're getting their fair share of overtime from that but no, no nothing... *(Inaudible)*

Councilman Lindsey: Nothing from this contract is...has caused any excess overtime out at your department?

Utilities Director Mounts: No.

Councilman Lindsey: Okay, okay, all right. Thank you Allen, I appreciate it. Thank you.

Councilman O'Daniel: Allen, what has been the experience...I mean, I think there was some concern, and may this is kind of picking up a little bit of what Al's saying, there was concern that maybe some of the meters were so old and some of the components leading into it were so damaged that the water department might have to fix a lot of

those before the meters could be installed themselves. Has the water department run into...has the utility run into any problems or that maybe create some overtime issues or do you know what percent of the meters are simple? Just go in, change it out and everything's fine versus...

Utilities Director Mounts: Yeah, there are...in changing out the meter a process is in place that if the conditions to replace that are not acceptable, we don't replace the meter because the meter pit...the meter belongs to the Utility but the meter lines connecting to that meter, and the meter pit, and the meter lid all belong to the homeowners.

Councilman O'Daniel: Okay and maybe I can pick up on that then. If it's not being changed out, how many have sort of been skipped over to date? *(Inaudible)*

Utilities Director Mounts: I don't have the exact count on that but it's probably north of a hundred...

Councilman O'Daniel: Okay.

Utilities Director Mounts:...and so we're working through that process and then we'll work with homeowners on trying to get those remedied as they arise. And certainly, anytime you have an initiative of this nature, if something is in disrepair, the fact that you're inspecting it to look at it now raises it to the surface so we'll work with homeowners in navigating through that.

Councilman O'Daniel: And this is really more of a FYI kind of thing. It looks like the contingency funds status. I mean we may not exhaust all of that. Since that was part of a bonding issue, what happens to that contingency fund at the end if it's not used?

Utilities Director Mounts: At the IURC we told them that portion of it we'd apply toward debt reserve and set aside for that because under your bond service you're, you know, have so many years before you start repaying bond individuals so that would be the strategy there, to redeploy it towards...to kind of reduce your debt if you will and we...my recommendation would be follow a similar methodology for the sewer side as well.

Councilman O'Daniel: Thank you.

Councilman Adams: So Mr. Mounts, if you ran into a section of lead pipe that was coming in one way or the other, would you recommend that it be replaced?

Utilities Director Mounts: I haven't come across the lead pipe situation yet but we've come across galvanized pipe that was corroded to the point that if we tried to replace our meter with it that it would...

Councilman Adams: And you let the homeowner know that...

Utilities Director Mounts: We'll let the...yeah, we'll have a process for letting the homeowner know and we're actually working through that process right now, Dan.

Councilman Adams: Okay, and when will we see the shiny faces of Mr. Capin and Mr. Gambrell?

Utilities Director Mounts: They are in the room today.

Councilman Adams: *(Inaudible)*
Speaking Simultaneously

Utilities Director Mounts: *(Inaudible)* Mr. Capin here is...Mr. Gambrell is from Denver.

Councilman Adams: Are they going to be giving us some sort of monthly report or follow...I think we're looking for real time...

President Friend: Yeah.

Utilities Director Mounts: We can provide...

Councilman Adams: *(Inaudible)* we just get it.

Utilities Director Mounts: Well I think you asked for a periodic report. I wasn't aware that we were asking for a monthly status reports but we can provide that information if you're interested in it.

Councilman Adams: Well we're trying to avoid the previous problems that we had where *(Inaudible)*...

Utilities Director Mounts: I understand.

Councilman Adams:...post ipso facto.
Speaking Simultaneously

Utilities Director Mounts: I'd be happy to share with you the latest report that we received from the accounting firm in terms of sort of an audit or overview and Mr. Capin is with us here this evening if you're interested in more detailed information but that's a construction in process and basically what I'm reporting to you this evening is kind of

where we are but if you have questions about a specific project, Steve or Johnson Controls, their project manager are present this evening to assist in answering any of those questions.

Councilman O'Daniel: *(Off Mic)* That raises the ante. Which one is Steve? There you are. Okay, thank you.

Utilities Director Mounts: So, I'd be happy...if there's a specific question but so far Dan, the projects are moving along on a good glide path. We've...we have processes to manage and escalate if there are issues *(Inaudible)*...

Councilman Adams: No checks are going to EVSC and...

Utilities Director Mounts: No, no.

Councilman Adams:...and a, you know, steel companies in Kansas aren't getting...

Councilwoman Brinkerhoff-Riley: May I ask a question...

Councilman Adams: John, what would you think would be an appropriate manner...volume...timeframe...

President Friend: I think...you know Allen, I think if you could maybe every quarter could we have a, you think, once a quarter?

Utilities Director Mounts: Sure.

President Friend: Is that...I think that's fair.

Utilities Director Mounts: I'd say John, you know, as we approach that point if there's specific information that you're looking for beyond maybe what I presented this evening, we'd be happy to compile that for you.

Stephanie?

Councilwoman Brinkerhoff-Riley: Thank you.

President Friend: Yeah, Stephanie.

Councilwoman Brinkerhoff-Riley: Oh, thank you and thank you for coming. That was great to kind of see where you're at. I had a couple a questions that if you don't...that

are unrelated sort of, but why you're here I thought if you don't know, if you could tell us when maybe you could come back.

One is the EPA and the combined sewer overflow. I mean we're all aware that the plan was rejected and we, I mean we did the right thing. We passed the lowest rates possible to get started and it's...I think we're all grateful and thrilled that we're starting on that but when are we going to have an idea of how we have to adjust the plan or if we have we have to adjust the plan because we all know that if it...the price goes up then we have to pass another rate increase.

Utilities Director Mounts: Sure.

Councilwoman Brinkerhoff-Riley: And if you don't know those answers I just wonder kind of when you would maybe have an idea of when you could report to us on the EPA issue.

Utilities Director Mounts: I would...first, I don't know the answer to it and the second would be in a regulatory environment, it's a process and so we're working through that process, the steps we have to go through to either resolve the differences that we have or it pursues into further proceedings, which could involve the court deciding what happens then, and then the timeline for that's going to be based on the steps you go through for that. There are certain steps that are predefined per the Consent Decree but they are specific steps that will happen, you know, the timeline for that are not well defined at this point so...

Councilwoman Brinkerhoff-Riley: Are we at risk of starting to be fined again on a daily basis or the old fines coming back?

Utilities Director Mounts: That is a...that's an area that we've looked at and there are...at this point we are not at that level of risk for being fined and so with any legal proceedings, you can take steps to mitigate what your risks are and we will take those appropriate steps to mitigate that happening.

Councilwoman Brinkerhoff-Riley: Is there any risk at all of sort of development being shut down if, you know, we can't come to an agreement because I'm...is that possible if we get...obviously, this could lead to litigation but there could be an order during that litigation.

Utilities Director Mounts: The process will be such that it will lead to resolution one way or the other.

Councilwoman Brinkerhoff-Riley: Well the more...so much of what we're...you're starting to do, you have to do under any plan and so it is certainly worth showing some progress on that.

Utilities Director Mounts: We are. It's just a matter of closing the gap. It's, you know, public knowledge that the EPA has asked for zero overflows.

Councilwoman Brinkerhoff-Riley: Right, I just had one more, I'm sorry. I had a constituent call with an \$800.00 bill and my question is when we do these Smart Meters, if I fill up my pool I get charged as if the water ran through the sewer system.

Utilities Director Mounts: If you don't have a separate meter that would be correct.

Councilwoman Brinkerhoff-Riley: Is there any point in the future that we're going to be able to distinguish people water their lawn versus flushing their toilet?

Utilities Director Mounts: No. Not a...there is a current process where that you could have a separate meter for those services and many people have, for example, a sprinkler system...

Councilwoman Brinkerhoff-Riley: Okay.

Utilities Director Mounts:...and they'll have a separate meter or if you were filling a pool you could buy somebody to haul water in and...

Councilwoman Brinkerhoff-Riley: Well that's what I...that's what we did was that issue but does a separate base rate?

Utilities Director Mounts: It has the same water rate but it doesn't have a sewer rate attached to it cause it's just a *(Inaudible)*

Councilwoman Brinkerhoff-Riley: So you're going to get charged X amount whether you're using water or not?

Utilities Director Mounts: Well you would have a base rate for the meter. That's correct.

Councilwoman Brinkerhoff-Riley: Right, okay. That's probably what discourages...

Utilities Director Mounts: It's a fixed cost charge, that's correct.

Councilwoman Brinkerhoff-Riley: That's probably what discourages people from doing it. I was just curious but I'll let him know that's an option.

Utilities Director Mounts: Yeah, you would have the cost of installation of a separate meter and then your base charge on a monthly basis.

Councilwoman Brinkerhoff-Riley: And what is the base charge now, like 20 or 30, something like that?

Utilities Director Mounts: It's not huge but I don't know. I don't remember exactly what it is.

Councilwoman Brinkerhoff-Riley: Okay. Thank you.

President Friend: Allen, how many events have we had this year? Do you know? Events.

Utilities Director Mounts: CSO events?

President Friend: Yeah.

President Friend: Sorry John, I don't have that. It's been a pretty wet year for us. In a typical year, we have 50 CSOs.

President Friend: Yeah.

Utilities Director Mounts: The plan that we submitted targeted 12 CSOs...

President Friend: Right.

Utilities Director Mounts:...so it'll give you some idea there. My gut feels we're probably running just a little ahead of sort of a typical year. It seemed unusually wet this year, to me anyway, but I don't have the...if you're interested, I'll get the count for you.

President Friend: That's fine. We still...we still at 28,000...28 million on the westside and still at 4...24 million at the east?

Utilities Director Mounts: We're 28 on the east and we're 45...40ish on the west.

President Friend: How much on the west?

Utilities Director Mounts: 40 or no, I'm sorry. Are you talking about volume?

President Friend: Yeah.

Utilities Director Mounts: Volume in terms of million gallons per day?

President Friend: Yeah.

Utilities Director Mounts: We're at 28 million gallons on the east system...

President Friend: Okay.

Utilities Director Mounts:...and we're about...don't hold me to this, it's either 40 and we're going to 4...I think it's 40 currently and we're going to 45 on the west system.

President Friend: Is that bath system working okay on the westside?

Utilities Director Mounts: It is. It's working very well. Now Harry's very pleased with it and all the bugs are worked out with it and it's a technology that when you're real estate challenge allows you to go vertically and a...so that's something that we're very interested in.

President Friend: When we going to put in the centrifugal fans out there?

Utilities Director Mounts: Well there's this...if you're talking about the centrifugal...

President Friend: Yeah.

Utilities Director Mounts: For solids handling?

President Friend: Yeah.

Utilities Director Mounts: It's a work in process now. We currently use what's called a belt drying process and you just basically...it's run the solids through there and it presses it so...but that's currently under construction. The belt...the belt drying system's probably 20, 25 years old so it's at its end of life so the centrifuge is currently being...process of being installed. That's a pretty large scale project there.

President Friend: Why the other thing about may be the blowers we have, the others at...on the centrifugal fans.

Utilities Director Mounts: Oh, on the...the blow...

President Friend: *(Inaudible)* Is that like a two-year payback?

President Friend: Yeah, the blowers on that, John, are part of the capital plan that we have the funding for that was for the sewer rate increases so I think that's a 2015 initiative for us to work on those because we had funding in place for this year so with the recent bond issue, we'll be able to get that funded so...

President Friend: Okay.

Utilities Director Mounts: Thank you very much.

Speaking Simultaneously

President Friend: Any other questions?

Utilities Director Mounts: Jen, you want to...

Councilman O'Daniel: And John, I don't know if it was said earlier but I'm thinking quarterly as far as updates on this and, you know, seems like a...

Councilman Adams: I was trying to set up a precedent for upcoming...the convention hotel...

President Friend: Ah yes.

Councilman Adams:...med school. This is a new series that we're trying to implement.

President Friend: Well Doc, *(Inaudible)*

Councilman Adams: It certainly would like to see the faces of the people who are actually doing the audits and the...and the thing.

Councilman O'Daniel: And clearly, I mean email's a wonderful thing and sending an email out to all of us to give us the update would be great too.

Utilities Director Mounts: Okay, thank you.

President Friend: I mean Doc, you think once a month...once every quarter'd be good.

Councilman Adams: Yeah, *(Inaudible)* great.

President Friend: Anybody have questions about once a quarter? Good.

Councilman Adams: But again, the people who are actually doing it...

President Friend: Right.

Utilities Director Mounts: I'd love to have Steve standing here rather than me so...

Laughter

Councilman Adams: No, I just have trouble hearing you.

Utilities Director Mounts: Ah, I'm sorry. John do you need me for anything else?

President Friend: No Allen, I sure appreciate you coming out tonight.

Utilities Director Mounts: Thank you.

Councilman O'Daniel: We appreciate the folks from Johnson Controls and...

President Friend: Yeah, same way with Johnson Controls.

Councilman O'Daniel:...the other representatives as well.

President Friend: Yes. Thanks again. Appreciate that.

I guess next we're going to move to I guess Randy Alsman and Pat Lowery. First, I'd like to have Randy up. They're just going to give us a rundown on the hotel project update.

ERC President Alsman: Hey, thank you.

President Friend: Thanks Randy, for coming out.

ERC President Alsman: Thank you Council, President.

And I believe the interest tonight was an update on the status of the hotel, kind of where it stands, where things are going and to be honest, the reporting's been pretty good on this so I think what you have been reading and hearing in the media is pretty accurate on status.

A little bit of a replay of how we got to where we are. A long time ago we decided that the Executive Inn needed to be replaced, went through the process of that building coming down. It took a long time to get to the point where we felt like we could send out bids, Requests for Proposals, to construct a new convention center hotel. We need the hotel in order to make maximum use out of the Centre, the convention center that

we have. You put the two together, you get much better results and you found than if you have no hotel.

Fall of last year, through a series of meetings and processes, the City Council approved the financial support that would be necessary from the City in order to incent a private developer to come in and develop a convention hotel. You remember the bond issue at a maximum level of 20 million dollars was approved and passed after a series of discussions around that, and following that, we proceeded to send out an RFP, an RFQ and then an RFP for developers. I believe there were three qualified respondents to that. Through a series of reviews and evaluations, HCW out of Missouri was selected as the developer for the hotel.

Again, that process moved forward. They had a series of different hotel brands that could be considered for branding the hotel and landed on Hilton, Hilton and DoubleTree, and the process began of them beginning the initial design and review, sort of a proposal negotiation with us on size, number of rooms, quality, those kinds of things. Came to agreement to the point where they felt they were able to send out their own Requests for Proposals because they will be owning the hotel part of the process, the private developer, so it's their job to hire the general contractor, Killian Brothers, and they and the general contractor then have the responsibilities to get bids for the individual components of the construction and when those bids come in, make the decisions on who they're going to go forward with, and we go from there.

The budget, as you remember, for the total process, the total set elements to be constructed was about 71 million dollars. The City's portion of that was about twenty million dollars. You have about 36, 37 million dollars that was the responsibility of HCW directly and then a local group, led by Old National Bank, put in about another 14, 15 million dollars commitment. That was for the apartments, if you remember, on the eastern end of the hotel there was an apartment towers part of the design. They came forward to help support that. So you put the whole package together, you're at about 71 million dollars.

Requests for bids went out, they came back in, and after a while it was pretty apparent to HCW that they were not initially able to meet their budget goals in order to be able to achieve the cost of the project that was what we had all envisioned. A number of different reasons for that; there's not a lot of benefit into going into that process.

Glad to answer questions from you, however, if you have them but the end result was HCW believed it needed to have these subcontractors rebid for the contract. Part of that was due to the timing. Many of you who have had experience in these kinds of bids, you know that the shorter period of time allowed for someone to respond to a bid, the more likely they will cover themselves, not being able to do enough due diligence to

really get into the finer points of the construction and the design and be able to go out on their own and get bids for their part of the cost to get the lowest possible cost.

Because everyone was anxious to get this hotel going, the timeframe was such that those initial bids came in much higher but HCW believes that with some clarification of the design criteria, with some Value Engineering, meaning let's design exactly what we need and not over-design in order to protect ourselves, and for resubmission, or a restart, of the competitive process, they believe that they can bring the project in on budget, however, they needed more time to do that.

So originally the closing was set for June 30, this summer, just a month ago or so. HCW came back, asked the Redevelopment Commission, asked the City, for another 90 days to run through this rebidding process. That was approved in about mid-July to give them til September 30 to go through and get the new bids in order to bring it in on budget. If that happens by September 30 then we're good to go. We have financing in place, the bond issuance has been approved and pre-rated I believe a AA Minus. HCW has their approvals for financing once the design is locked in and the City has agreed to come forward. Hilton has agreed to make it a Hilton DoubleTree brand so therefore that issue has been resolved and we're prepared to go forward under the DoubleTree name and we're looking forward to September 30th of this year.

The construction timeframe is, right now, estimated to be 18 months from approval so when we have close, whatever that close date ends up being, and we certainly hope and believe it'll be September 30th, once that close date is set then HCW believes it's 18 months to hotel open and operating. So let's call it September 30th, October 1st, you run 18 months and you're into the spring of 2016 for the open date of the hotel, which I think is about six months behind the very early estimates of when we had hoped to open the hotel.

And that pretty much is where we stand. We're waiting to hear the results of the rebidding process by HCW. They continue to tell us that they're meeting day and night and working with vendors to define the bid criteria more clearly and more effectively. They're working on Value Engineering, which is just a term that means, "How do we take costs out without taking quality out?" That is all under way and we will understand the results as we get close to the end of September.

Councilman O'Daniel: With the...when you say the design changes, have they changed the footprint or are they...have they removed some of the, I don't know, call it bells and whistles that were at least proposed in the...when they came before our Council and asked for the money.

ERC President Alsman: Right. The answer to that is to the best of my knowledge, no, not yet. The footprint is the footprint so that has not changed, the apartment tower has not changed, the hotel has not changed. The parking garage has changed but that was an expansion due to the medical center. That was a project subsequent to the hotel process beginning so the parking garage will be a larger facility than originally envisioned; however, the hotel and the apartments are the same footprint.

So far as the bells and whistles, the specifics of design detail, I almost have to believe there will be some changes in that. To give you an idea that's been...been offered as an example: You may have a restroom with three down lights, three can lights, maybe only one is necessary, maybe only two. Maybe there's a place where transformers were put because it was easy, convenient, and fast to design it that way but there may be a way to relocate those for a lower cost but no reduction in service. So it's those kinds of changes. We firmly believe the vast majority will be invisible to the public, invisible to patrons of the hotel but that will allow the cost to be reduced.

Councilwoman Robinson: How much was over bid by?

ERC President Alsman: We really don't know because that is a private matter between the developer and their subcontractors. We've hired them to run the process. They're not bidding to the City, they're bidding to HCW.

It would also be to the City's disadvantage and to the project costs' disadvantage to be providing any kind of specific information, if I even had it, in the middle of a bidding process.

Councilwoman Robinson: Well the 20 million that's City money, we don't have a right to know, based on that, the percentage or the dollar amount?

ERC President Alsman: Correct. At this stage, we do not have a right to know the specific details of the bids. We have a contract with HCW to run the process and bring it in under a budget number, which they have to assure us they can do before we close with them and commit any of the City's 20 million dollars to that process.

President Friend: Has the bonds been issued. Have they already been sold?

ERC President Alsman: No, the bonds have not been issued. The bonds are approved. That will wait the close of the deal, hopefully September 30th.

President Friend: What's the, you know, you're in this racket, okay, you're in the financial world, some of the concerns I have is the interest rates ticking up...

ERC President Alsman: Ah-hum.

President Friend:...as we go. I think when we went in *(Inaudible)*, I think we've estimated it at 4.25 I think. Wasn't it at four and a quarter? Thought these bonds might *(Inaudible)*...

Speaking Simultaneously

ERC President Alsman: Ah-hum. And I understand it yes, the *(Inaudible)*.

President Friend:...Four and a quarter. Because of the 25-year bond, you know, that if we have a tick-up by 25 basis points to 50, do you have any idea what that'll cost us. Have you ran any of those numbers?

ERC President Alsman: I have not run the numbers but I can tell you that interest rates have dropped by 60 basis points for the ten-year *(Inaudible)* December.

Speaking Simultaneously

President Friend: Well I know. I mean it's been up and down. Yeah. I guess I get a little concerned about it. I see that going in myself. You say a bond market kind ticking up cause you say the dollar got strong which means, you know, you don't know if that's because the anticipation increase in rates.

ERC President Alsman: And I don't blame you. I'd be nervous about interest rates going up too. That is not a matter that we can control, however...

President Friend: That's what I'm saying.

ERC President Alsman:...all we can do is try to get us to a completion date as quickly as possible.

President Friend: Sure, okay, great. Did we have, let me ask you, has...do you know how much HCW's been paid up til now for the...cause they get so much fees.

ERC President Alsman: I think total expenditure, there've been six payment vouchers that have come before the Redevelopment Commission and the total amount paid is about \$930,000 and of that I think about 2/3 was paid out of our funds and the other is a matching payment by HCW.

President Friend: What...the other thing too, because I know you got architects in there and change some things around. I think...do you see...probably the architecture fees are probably going to double I bet. Won't you...you think that will happen?

ERC President Alsman: Ah well, you know that's certainly one of the vendors that HCW has to work with...

President Friend: I know.

ERC President Alsman:...so I'm sure they're examining their cost as well as the others.

President Friend: Okay. Yes?

Councilman Adams: If I understand you correctly, coming back to this body, this City Council is not an option to make up the difference if the bids don't come in as low as you want them too.

ERC President Alsman: There are several options available to us. That is one of them. I mean our preference is...

Councilman Adams: No, I'm just saying, if I understand you correctly, coming back to us is not an option.

ERC President Alsman: No, it is an option.

Councilman Adams: No, I'm saying it's not an option.

Laughter

ERC President Alsman: Sorry.

Unidentified Speaker: *(Off Mic) (Inaudible)* with that question.

Councilman Adams: It's a rhetorical statement...question.

ERC President Alsman: So now that I understand your question the answer is I would agree. I mean the last thing we want is to increase the cost of the project.

Councilman Adams: Okay, thank you.

Councilwoman Brinkerhoff-Riley: I have a...

Speaking Simultaneously

Councilman McGinn: I've I may make a...oh, I'm sorry.

Councilwoman Brinkerhoff-Riley: No, go ahead.

Councilman McGinn: Okay, thank you. This is just from a bit of experience bidding a Public Works project when I was at the zoo. This is a bit difficult because everybody

who is bidding on this contract knows exactly how much money is available. It's not like it is in the real world when you're talking about public dollars and so a lot of times, in fact I can say probably every time, the subcontractors are not only trying to get the work but they're trying to be paid so that there's not one dime of public money left and so, you know, I have high hopes that, in fact I'm reasonably sure, that there's a lot of fat on these first bids that come out because everybody's trying to make sure they don't leave any money on the table and it doesn't really bear a lot of...it's not the real world. It's not what it really costs, you know, so I don't think anyone should have any nervousness or be upset until these people start talking about real dollars and not worrying about how much is available, all right. Is that a fair statement with public dollars?

ERC President Alsman: It is a fair statement. It's also fair that, you know, we don't know exactly where the bids stand and where they're going to land so...

Councilman Adams: So I shouldn't worry.

Unidentified Speaker: *(Off Mic)* Not yet. *(Inaudible)*

Councilman Adams: Thank you. I'll remember that.

ERC President Alsman: When you're dealing with the public money it's always good to worry.

Councilwoman Brinkerhoff-Riley: I had a question.

ERC President Alsman: Yes.

Councilwoman Brinkerhoff-Riley: Thank you, and I know you...you're unwilling to tell us or you don't know kind of what the cost overrun is but do you know if any what they're looking at in terms of cost overruns are related to issues with the site or issues underground with sewer and water?

ERC President Alsman: Yes Councilwoman, sorry, and number one I do not know the specifics of the overage. It's a fine question, not a problem at all but I do not have the information. I do know that there have been no environmental findings so there is certainly not an environmental issue that may...

Councilwoman Brinkerhoff-Riley: Just the pilings underground.

ERC President Alsman: Those turned out not to be an issue. They're in a place where it's not an issue so *(Inaudible)*...

Councilwoman Brinkerhoff-Riley: So they don't have to redesign the foundation of the building to work around it.

ERC President Alsman: Apparently not. No, that was a concern early on but it turns out they're located in a...such a way that it's not going to interfere with the construction so so far as we're aware, there's no issue with the site itself that would cause any kind of an increase in the cost of the project.

Councilman O'Daniel: And actually to the extent there might be, you talked about the sewers that are going to be rerun and those sort of things, we're required to present them a...a site that's ready to build on, correct?

ERC President Alsman: Ah yes, correct.

Councilman O'Daniel: I mean...yeah...

ERC President Alsman: Correct and again the event of the medical center and the expansion of the parking garage, and therefore the movement of the sewer and you know, all those issues...

Councilman O'Daniel: A hundred year old sewer.

ERC President Alsman: Yeah, I mean those are...those are new factors to the original equation but we feel like between the two projects we have an appropriate and a fair way to work that out.

President Friend: Do you have any estimation on the cost of the sewers or that would have to...have Allen give that to us.

ERC President Alsman: Unfortunately, I do not have that information. If that's important I'm sure that I can work with the Water & Sewer Utility and come up with an estimate.

President Friend: Yeah, you got let us know about that.

Any other questions?

Councilman Adams: Well certainly the presence of the medical center won't hurt...

ERC President Alsman: Not at all.

Councilman Adams:...the convention hotel.

Councilman Adams: No, it's a...you know there's so many nice things happening in Evansville, you love to see that continue and the medical center is definitely one of those so...

President Friend: Thank you.

ERC President Alsman: Thank you all and thank you again for the financial support you provided...

President Friend: Yeah.

ERC President Alsman:...to allow this hotel to be built. Appreciate it.

President Friend: Another thing I need to ask, does Pat Lowery, she's our representative to the ERC, do you...I guess you're in the audience. Do you have anything to add?

ERC Member Lowery: *(Off Mic)* No I agree with Randy and his report, we've discussed it and that's exactly the same report.

President Friend: Thank you. Thank you Pat, appreciate that.

ERC President Alsman: I do want to acknowledge Pat because there was a time when, you know, she was going to be the one presenting today and Pat put a lot of work in on a lot of the research to make sure the facts and figures were available for tonight and I drew heavily upon Pat's work so I did want to express my appreciation for that.

President Friend: Well thank you so much.

Next up would be...

Randy Jones: *(Off Mic)* Questions from the audience.

President Friend: I mean yes. Do we have any...yes? Thank you much. I almost cut you guys out again.

Randy Jones: *(Off Mic)* I'm not letting you get away with it.

President Friend: I'm sorry.

Randy Jones: That's all right; it's no big deal.

President Friend: Thanks for keeping me straight. I think...give your name for the record please.

Randy Jones: Randy Jones.

President Friend: Yes Randy.

Randy Jones: Evansville, Indiana. I have a question. You know when we first started this, of course, I opposed to it, I thought it was too much money. I've always been opposed to it but it got down to 20 million dollars. HCW sat there and said the name already taken care of; they had the finances. Everything was ready to go. That's all I ever heard was everything...we're going to build this thing. All of a sudden, March, we have this great big groundbreaking, we're ready to go. Then there's this, and this, and this, and this, and this, and now we come overbid and we got another excuse why it's not being built.

So what if in September they come in and, "Well, we really can't do it yet cause you know we got...it's just overbid". When is this going to end? When is this going to start getting penalized financially for not building this hotel that we've already committed 20 million for? So that's my question I guess. I mean it seemed like to me we been patient.

President Friend: That was one of the questions I asked; if we've already let the bonds...and we have not...

Randy Jones: And another thing, this part of this was the apartments. Seventy-one million dollars were part of the apartments. What if they build this hotel and they say, "Well, you know we just aint got the money to put those apartments in". What'll we do? Do we...do they own the hotel; we don't get the apartments and we're stuck with 'em or I mean, you know.

President Friend: Well I...

Randy Jones: I'm just kind of curious. Is there...is there something I couldn't read. I kind of tried to read through the contract and I'm not a lawyer. Mr. Danks probably is but I'm not but is there penalties if they decide to build this hotel and then all of a sudden they back out on the apartments?

President Friend: Randy, on these apartments, those are going to be theirs. They've always made that clear early on. Is that...is that...you like to have...why don't you answer this guy's question.

Speaking Simultaneously

Randy Jones: My answer is already...everything's there.

ERC President Alsman: I'm sorry?

Randy Jones: The finance is all there. Everything's going *(Inaudible)*...

President Friend: Randy....

Randy Jones: But when are they going to be there?

President Friend: Randy, why don't you clarify the apartment issue cause I think the public would like to know *(Inaudible)* about that.

ERC President Alsman: Sure. Early on in the points that I was presenting to the Council, I laid out the three major chunks.

Randy Jones: Uh-huh.

ERC President Alsman: Okay, there are the hotel itself, and that's roughly a 36-37 million dollar enterprise. There is all of the public infrastructure: the connector building, the streetscaping, the parking garage, some of those things. We've got about a...and a million dollars, actually, to upgrade the interior and some aspects of the Centre, the Old National Events Plaza, excuse me, and that's about 20 million. Actually, the limit is 20 million dollars. And then the balance of about 14, 15 million dollars are the apartments and those are privately funded. That's not funded with public money.

And is there a penalty clause built into hotel delay? Actually, if you're running a business, every day that you delay the completion of a money making project is a penalty.

Randy Jones: Okay, the way I understood it was it was one package so...but you're saying it's 37 million for the hotel?

ERC President Alsman: It's one major project with three different funding sources.

Randy Jones: But we're funding just the hotel part of it. The privately on the apartment.

ERC President Alsman: HCW is paying for the hotel.

Randy Jones: So our 20 million...

ERC President Alsman: HCW is paying for the hotel, the apartments are paid for by a private consortium...

Randy Jones: Okay.

ERC President Alsman:...and the public infrastructure elements are being paid for by the City.

Randy Jones: So our 20 million is not even going to the hotel or the apartments.

ERC President Alsman: They're not going to the hotel building itself but they are an integral part of the overall design.

Randy Jones: People are asking that on a blog and what started out to be 2,500 blog is 25,000 people now and I'm trying to keep up with it so I'm going to get help.

Councilwoman Robinson: I guess we're asking how many more extensions will we give them.

Randy Jones: How many more extensions will we give them? What if September we can't build it again? I mean I'm just kind of curious. How long is this going to go on?

Councilwoman Robinson: *(Inaudible)*...

Randy Jones: I was under the impression it'd be started by now.

Councilwoman Robinson: I think we all were.

Randy Jones: *(Inaudible)* will start.

Multiple Speakers: *(Inaudible)*

Randy Jones: I said when will this hotel start being built?

ERC President Alsman: The schedule right now is that they'll be closing September 30 and hotel construction will start *(Inaudible)*...

Randy Jones: And if it doesn't go in September it'll just extend again. You guys are going to give them another extension, an another extension, an another extension?

ERC President Alsman: *(Off Mic)* That's a hypothetical situation that right now I can't say it's more or less likely than what's going to happen.

Chief of Staff Schaefer: *(Off Mic)* We remain very optimistic.

Randy Jones: I was in March. Thank you.

President Friend: Thank you. Thank you so much.

Any oth...before I move on, any other...yes? Please state your name for the record, and address.

Maureen Mattingly: My name is Maureen Mattingly and I live on Crossbow Lane and my question is about this term *Value Engineering*. I understand that Hilton has approved a plan and now if it goes into Value Engineering, everybody kind of looks at that as kind of cheapening-up the things and if some of these sewer problems cut into the budget of 71 million, this could be pretty cheap indeed when it's done and Hilton could say, "This is not what we bargained for and we're backing out", and then we don't get the hotel built and then we've given away, already, \$900,000 so what is Hilton's position on this Value Engineering process.

President Friend: Yes Randy, please address.

ERC President Alsmann: Thank you, good question. That's...that is a good question and one that I had forgotten to address. One of the best things about this project is the Hilton Doubletree brand name. That is a contract between HCW and Hilton and it is something the brand name and the brand value, for Hilton, is something they guard very jealously and the contract between the developer and the hotel brand is such that there are very specific, very extensive, minimum requirements of quality before that brand name can be put on the hotel. Hilton will not allow, DoubleTree will not allow HCW to use that brand unless they meet those requirements so Value Engineering doesn't violate those standards. In fact, it's much better for Hilton to have done that than the City because they have a lot of experience at what goes into hotel quality, they have much more detailed design specifications than we could have designed for that. They have the expertise to do it well. If we like the Hilton brand name, the DoubleTree brand name, which I think is well respected around the world, then we therefore respect the criteria that they have in order to achieve that brand.

So our protection, and the lady's question is a good one, our protection against cheapening-up the hotel is that it will not have a Hilton brand name if that happens and HCW, therefore, will not be attract the guests that it plans to attract in order to make money so they are very highly motivated to find ways to reduce cost without reducing the quality.

Councilman O'Daniel: And one of the things that I had heard, and this is actually from a pretty good source of mine, but that things such as LEED certification is a very, very expensive, or it can be a very expensive thing, and so going out and engineering for LED

lights may be too excessive at this point as opposed to fluorescents, as far as what your...what the difference in up-front costs are. It may affect the operating margins down the road but for the construction cost it may not be worth it right now and that's sort of part of Value Engineering (*Inaudible*).

ERC President Alsman: That could very well be. Yeah, that's probably a great example. I don't have any specific knowledge of that but I think that's a great example of the kind of thing that would happen.

President Friend: What I have heard Randy, that they may be cutting back on some of that they call it LEED SE I guess.

ERC President Alsman: L E E D.

President Friend: Yeah, LEED, yes.

ERC President Alsman: Energy efficient.

President Friend: Yeah, but they may...they may cut back on some of that to save costs there.

ERC President Alsman: Yeah, one of the things that I've learned over time about LEED is a great energy efficient design but modern buildings are not necessarily energy efficient in of themselves so for instance in the past, in the summer or in the spring, you had a cool day, you had a big stadium you could open the windows and you didn't have to run HVAC as much but they are closed environments now and therefore you're running the HVAC almost year round. You may be running in a very highly efficient way, much more efficient than we ever could have in the past, but you're running it. So there could be certifications such as that that have to do with efficiency of the energy that's used but may add to the cost of design, and actually even to the cost of operation, the way that you may...you may want to design those out. And I am way out on a limb here; I have no idea that they're even looking at that but people are struggling, I think, to understand Value Engineering and I'm just trying to think of examples that might...might clarify that a little.

President Friend: As I understand it, I think Vectren, or their subsidiary of Vectren, I thought gave some kind credits. They...they had something if we did that they would give us...

ERC President Alsman: Credits?

President Friend: Yes.

ERC President Alsman: That could very well be.

President Friend: That's my understanding. Thank you Randy. Yes?

Councilwoman Brinkerhoff-Riley: Hey, can I ask you a follow-up? I'm sorry.

Councilman Adams: No please, go ahead.

Councilwoman Brinkerhoff-Riley: Here's my understanding of a DoubleTree brand. DoubleTree is a pick-up brand meaning that as other hotels lose their flag that Hilton can purchase those hotels and make them DoubleTrees, that DoubleTrees have no standard format. That's why they all look so different. They might have been a Holiday Inn maybe at one point and then...and so that's why...I think that's...and just to follow up on Ms. Mattingly's question, I think that's part of what...cause if you live in the hotel world, they're not so impressed with DoubleTree, you know, but because of how it started. Now I understand that Hilton has improved the image of DoubleTree but isn't it true that what gives them the ability to value engineer and change things is because DoubleTree has the lowest standard of uniformity within the Hilton brand.

ERC President Alsman: You are in an area of expertise that I have no knowledge of so what you say could very well be true. I really don't know. I do know that the City and the developer both agreed that DoubleTree was a good brand to bring in. I've stayed in DoubleTrees. I thought they were pretty nice.

Councilwoman Brinkerhoff-Riley: No, but it gives them the flexibility of design. I'm not saying it's an unattractive hotel but you know how a Holiday Day Inn Express, they all look exactly alike.

ERC President Alsman: Right.

Councilwoman Brinkerhoff-Riley: They won't buy an old Ramada and turn it into a Holiday Inn Express but you might buy an old Ramada and make it a DoubleTree because they're each...most of the hotel brands have kind of a pick-up label that...where they can purchase, you know, hotels from other people and then you make 'em into that brand and that was my understanding at the beginning of a DoubleTree.

ERC President Alsman: Yeah you...I really don't know. You could be right. Fortunately we're building from scratch so we don't have to worry about inheriting an existing structure and trying to *(Inaudible)*...

Councilwoman Brinkerhoff-Riley: Well right but I think it gives them some...

ERC President Alsman: Flexibility.

Councilwoman Brinkerhoff-Riley: I think that gives them the flexibility and...

ERC President Alsman: That might very well be true.

Councilwoman Brinkerhoff-Riley:...the leeway with Hilton, unlike other Hilton brands that there would be no deviation from that standard.

Councilwoman Robinson: In you saying that, what's the star-rating going to be for the hotel?

ERC President Alsman: I really don't know that either for sure. My impression it was going to be a three or four-star hotel but I really don't...I know it's not a five-star hotel but it's in that category.

Councilman Adams: Thank you for bringing up the fact that Hilton is involved in this "Value Engineering". I would remind everybody that Hilton comes back at least annually too to make sure that standard is continued to be met so I think that's great.

ERC President Alsman: Thank you. Yes, we enjoy having them as a partner in this as well.

President Friend: Thank you Randy.

ERC President Alsman: Thank you.

President Friend: Guess we're finished with audience? Okay. I like to move to Scott. Scott can you...thanks for coming out tonight Scott.

Councilman Adams: Jete la puck. *(A hockey term meaning **Pass the puck**)*

President Friend: Yeah.

VenuWorks Executive Director Schoenike: Good evening, Executive Director of the Ford Center. Tonight just to give you a little brief kind of where we're at this year and then a little talk about budget for next year.

Reported to ERC, my reporting body, last week. Overall you know we're a little down this year, about 2½% of revenue. Couple different reasons. I mean you'll see some fluctuations (*Inaudible*) other than it won't be the third record year in a row, so you can't always continue to increase, increase, increase. Couple of major factors of that is neither

tenant had a playoff game this year, which hurts, and we're finding that per capita spending of the people attending events is just a tad down so, you know, we're kind of a little bit down but nothing alarming. I think it will bounce back up. You see us ebb and flow a lot with the discretionary spending of people in the economy, so you'll see that go up and down a little bit but nevertheless, for the rest of the year my directors are taking a look at (*Inaudible*), as we come into the fourth quarter, which is kind of final busy quarter of the year. We'll be trying to trim here and there to make up some of that difference and I'm fairly confident we can to a...end the year fairly close to where we've ended the last two years, which is, has been right around a million dollars profit from the VenuWorks side going to the City from the Ford Center operations. We'll be a little bit under that this year. We've been a little bit over it that last two years but overall it's a little down but nothing alarming and I think we can make that difference back up or at least very close for the end of 2014.

And then leading into the budget of 2015, you know, our budget has been that million dollar mark and we are continuing to say next year we think we'll be back to above that mark by a little but so our budget request from you is back to that us giving back to the City that million dollars. We're not lowering it down cause we had one slightly lower year so...

President Friend: How many Division II games? We had about eight Division II games, didn't we?

VenuWorks Executive Director Schoenike: Yeah, we did the GLVC Tournament and we did the NCAA Elite Eight Championship game in there as well.

President Friend: How many...

VenuWorks Executive Director Schoenike: You know those games though are more...I would consider those almost like mini-conventions. They're really...we price ourself to get those events to bring people in to show...highlight the City, to fill the hotel rooms. As far as profitability for the Ford Center, we make a little but those definitely aren't the ones that, you know, we were getting racked rate on but I think, overall, they're great for the City. The Elite Eight had us on national television on CBS. I don't think that's a...you know when you talk about advertising for the Ford Center and for the City, you know that stuff you can't buy for a little bit of money.

Councilman O'Daniel: Uh, what's the expense side like? I mean you said revenue side's down 2.5%. I would hope the expenses will be down a little bit but some of the other major expenses were IT and also security. Were...those been able to be reined in a little bit?

VenuWorks Executive Director Schoenike: Um, a little bit but your biggest, and I've kind of commented this fore, you're biggest thing are your fixed costs at a building like that so you always have to try to reach revenues to cover it. It's going to be utilities and labor are your number two...you know, your number one and two expenses. It's hard to trim to obviously. Event labor's down some when, you know, we trim when the...but we're doing about the same number of events, you know, so you'll see that the expenses pretty similar. Like I say, when you have a...we're down a little bit in Food & Beverage. That's just due to per capita spending. It's hard to shave a...close a concession stand when you're down just a little bit so you'll...lot of those numbers are fairly, fairly close; a little down but I think what you'll see is utilities is consistent. You know, there's not much we can really do with that *(Inaudible)*.

Councilman O'Daniel: Are there any suggestions that you have to trim some of those expenses to, you know, those discretionary expenses?

VenuWorks Executive Director Schoenike: Well a...

Councilman O'Daniel: Previously you've talked about those and then *(Inaudible)*.

VenuWorks Executive Director Schoenike: Yeah the IT part, you know, was actually on the budget to be trimmed this year but then that got into some of the contract negotiations of multiple parts involved with the City so that is still at that \$165,000 a year mark, so that one's kind of...was hoping that in our budget we'd have that out. We're trying to make that up somewhat and I think we have but right now it...kind of for the next year's budget, I'm putting that back in it, that 165 plus CPI; just not looking at it to go away til the end of that five-year contract.

But, you know, as far as some of the travel budget, you know, we cut a few trips out for fulltime staff to...you know, stuff like that. You know, we've cut out one training and moved it into 2015, which sometimes is better cause it happened in December or January; it really doesn't matter so kind of push some of those expenses around a little bit. Some of 'em we just delayed into the first quarter of '15.

President Friend: Scott, I've had people to ask usually June, July, August, kind of quiet down there. Is there *(Inaudible)*?

VenuWorks Executive Director Schoenike: Well I'll come here probably every August and probably give you the same...say, you know...and this year actually was a little unique even in the summer months or Jehovah Witnesses generally two weeks in June, which we held, and then they moved it to three weeks in July so actually it moved into July so we were kind of keeping events out of June and then we moved into July. We actually did three weeks of Jehovah Witness instead of two so overall for the summer I

think you'll see the restaurants and hotels really see a...saw a huge impact, and even if you're looking at some of those numbers, you may see a dip in June but expect to see it right back in July, actually with a whole extra week of 6,000 people here on Friday and Saturday so I think you'll...you know, actually for the summer, for the City actually, I think you'll see us make a much larger economic impact.

As far as concerts I think people (*Inaudible*) enjoy, this year as I kind of examined what's out there, what's the cost, you know, like I say, on a good year we'll do one a month, you know, in a great year maybe two. This year looking at the inventory out there that was worth it, that would, you know, the risk just wasn't even worth it in some of those. The few concerts that were out there I just didn't feel it was a good year to go in and be upside down \$50,000; looking at hopefully we can only lose \$50,000 didn't like a good business proposition to me and we kind of...every summer we (*Inaudible*) going if you want activity in the summer that's what you have to commit to is can you break even on a concert. This year I didn't even feel that they break-even efforts. I think they were all looking...an that's what happens when the supply of concerts is short their costs go up cause everyone bids against it and which it actually makes it even worse financially to do the concerts here in the summer.

Councilman Adams: Scott...

Spoken Simultaneously

Councilwoman Brinkerhoff-Riley: I have a...go ahead.

Councilman Adams: Scott, you think 2,200 young hungry, thirsty students will help you up your revenue? The med school...?

VenuWorks Executive Director Schoenike: Oh, the med school?

Councilman Adams: This consortium thing next door.

VenuWorks Executive Director Schoenike: Oh, you'll see. I mean it kind of depends on their discrea...I think you'll see, you know, as they're here in down town you may see some picking up some of the, actually the hockey and basketball games for things at night. They're looking for things to do as they stay downtown. I think you'll find a little of the teams should be able to capitalize on that a lot. As far as concerts, I think most of that is a pre-meditated concept if you either love it and you're going to go and pay there or not.

Councilwoman Brinkerhoff-Riley: (*Inaudible*) Scott, what expenses, related the Ford Center were not paid by VenuWorks in 2013? For example, the ERC pays the Building Commission and also pays for the maintenance and repairs, and when I looked at the ERC Annual Report for 2013 they had hundreds of thousands of dollars of expenses

related to the Ford Center so how much are they...did they...when you say, you know, we *(Inaudible)*, you know, we made a million dollars in 2013, what did your...what do really make after you deduct what was paid out by the ERC related to the Ford Center?

VenuWorks Executive Director Schoenike: You see, the Building Authority runs the maintenance and conversions over and they get run on their own budget there. I believe they were at 1.3 million budget last year...

Councilwoman Brinkerhoff-Riley: Right.

VenuWorks Executive Director Schoenike:...so I have...we, overall...

Councilwoman Brinkerhoff-Riley: So overall, we lost \$300,000 for 2013 when you actually add up all the expenses paid by both VenuWorks and the ERC.

VenuWorks Executive Director Schoenike: Yeah, pretty close to that number.

Councilwoman Brinkerhoff-Riley: Okay, now one of the issues that you've come and told us every year is that we're in break-fix mode so something breaks, we fix it. *(Inaudible)* and we have not established a capital fund account for the Ford Center and when we have to start changing carpets, replacing seats in those suites, I mean...and I...when we had the former head of the ERC, I had met with him last summer and he developed a plan for maintainancing a capital fund plan for all...everything that was in the downtown TIF but under his plan it required about a two million dollar infusion out of the general fund to get it started and then he thought it should cap at 10 million, like worst-case scenario, you had to replace the roof on the Ford Center and the HVAC maybe went out at Innovation Pointe so he talked about building towards a 10 million dollar capital fund for that stadium and what do you think about that? I mean how much, you know, we're upside down in the big picture and have been ever since we opened it so how much are supposed to be putting aside in addition to what we're losing to...so that facility does not lose quality.

VenuWorks Executive Director Schoenike: You know I...it...Mr. Hafer and I had talked about that and a...and a, you know, and that we...you know and that seemed like a actually doable plan. It's one of those always a tricky thing of sure, whatever...you know, you'd love a large number but what can you live with and that's kind of where we end up. Where do we think we can live with? What's the worst-case scenario? And that's how some of those numbers became kind of thrown out there and what's manageable.

Councilwoman Brinkerhoff-Riley: *(Off Mic) (Inaudible)* Now I've never been in a suite at the Ford Center. *(Inaudible)* look like? *(Inaudible)*

VenuWorks Executive Director Schoenike: I think as far as your question of how close are we to the major capital improvements. You know right now, I mean it's not at any critical stage but it's also...that means it's the best time to think about it when it's not coming up here and going, "Look, we need it and, you know, by the end of next year I need 10 million dollars", so that's why we always should look to being...start talking about it now. It'll make some of those easier to have a conversation about when a new roof is needed, which is well down the road, or when the concourse flooring...probably be, in my opinion, probably is the first thing that's going to need to be replaced for, you know, a few million dollars but that's, you know, how long down the road can we push it. We're going to continue to push it as far as we can; two, three, four more years so...

Councilwoman Brinkerhoff-Riley: So we got to...

VenuWorks Executive Director Schoenike: But it's coming.

Councilwoman Brinkerhoff-Riley: Yeah, so we've got to...initially we'll be looking at replacing the concourse flooring in the next four years is that what you think and that's pushing it?

VenuWorks Executive Director Schoenike: Yeah, I mean that would...somewhere in that range. I mean we've kind of developed techniques to where we're at and it seems maybe we worn to a spot where maybe it'll maintain or...

Councilwoman Brinkerhoff-Riley: So that's a million dollars a year set aside to get prepared just for that.

VenuWorks Executive Director Schoenike: Well, and I...wouldn't be four but, you know, it'd be a few million and then maybe we only do certain sections as the back half isn't worked as much as the front half and, you know, we can, you know, and that's part of that where we're going how much funding in there makes...we kind of make decisions based upon, you know, I wouldn't say do the whole thing, maybe just do the main sections which are taking the biggest beatings and we can keep that to keep...I would hate to spend all my money on just that flooring so...

Councilwoman Brinkerhoff-Riley: Yeah, it looked like the Building Authority was spending somewhere between \$500,000 and \$700,000 a year on break-fix, maintenance, repairs.

VenuWorks Executive Director Schoenike: Yeah and I think they are putting a little in towards the capital reserve. I don't know the exact number but I believe they were putting some in but obviously enough to do some minor projects, not *(Inaudible)*.

Councilwoman Brinkerhoff-Riley: Not your big ones.

VenuWorks Executive Director Schoenike: Yeah.

President Friend: Scott, a lot of times the rule of thumb, at least my clients in development usually they want to try to put 3% and year off of...off of the gross revenues, rents, gross rents, so if we got to...we got to payment about three about 800... eight million a year, think that's what the payment is cause you call that rent so I could say maybe \$250,000 a year being set back if you go by that standard.

VenuWorks Executive Director Schoenike: And that...yeah, and that's...might keep you up for a while on what I would call, you know, the minor repairs, but every once in a while you're going to get the...with a couple bumps on the road.

Speaking Simultaneously

President Friend: You're going to get that but I don't know if we could do that year in, year out, yes.

VenuWorks Executive Director Schoenike: And that be just where kind of the City would want to take a look at do they want to maintain a fund like that to keep most of 'em down and occasionally have...come up in front and ask for three million for the flooring or would you like to try to steady if off. And those are just...I've been in cities that have done it both ways. Kind of depends on the financial state of everybody's and everybody's comfort level. If they prefer 250 a year and an occasional large request or to level it off and kind of deal with that budget, you know, and I've dealt with both ways so I'm kind of indifferent to which way it goes.

President Friend: One other thing. What about the Victory? Had in a...you didn't come here...what, just off the top of the head, how that Victory's doing.

VenuWorks Executive Director Schoenike: Well what we've really concentrated on last year is increasing the amount of events there, which we've accomplished.

President Friend: Yeah.

VenuWorks Executive Director Schoenike: We've almost doubled the events. Once again, fixed costs there. Utilities has been the killer there so we're not gaining the ground. We are definitely coming in better that it has in the last couple of years but not near where I wanted it to come in so we're looking at, you know, kind of taming that back. I was trying to cut that deficit but a third from last year, which could probably end up about 50% less.

President Friend: What might...what might...what might...what might help here, you know that we're paying the utilities for the Evansville School Corp. over there at Signature School, which is part of that overall deal. Question is I like to know what...how much is the City's owed.

VenuWorks Executive Director Schoenike: The Signature School actually pays 1/3 of our entire utility bill so that's our agreement with them so we pay all the utilities; they reimburse us for 1/3.

President Friend: Have you been reimbursed?

VenuWorks Executive Director Schoenike: Yes.

President Friend: Oh you have been? Okay.

VenuWorks Executive Director Schoenike: Yeah.

Councilman McGinn: May I make...just...I'd like a comment too. For those of you who don't know, Scott and VenuWorks are now the concessionaire at Mesker Park Zoo and Botanic Garden.

VenuWorks Executive Director Schoenike: Yep.

Councilman McGinn: Since you've been out there, you've got cotton candy machines, various places, you have the Dippin' Dots machine, you threw up a grill for hamburgers and hotdogs. I've been there a couple of times with grandkids; the food's good, the service is good and I wish you all the luck in the world to make that a go out there.

VenuWorks Executive Director Schoenike: Yes, and that was, you know, actually one thing you'll see actually that helps the Ford Center in the long run and that's why when we started talking to the zoo about it, it made sense cause they're actually in our off-season so we actually send our part-time workers out there to work in the summers so in the summer they actually get extra hours so we can almost maintain some part-time workers yearlong, and then their slow time is during the winter when we're busy so our supervisors and kind of our best part-timers get hours all year right now it really is kind of a nice fit and we can kind of draw on the economy as a scale to the product we're doing at the Ford Center out to the zoo and we've got a lot of positive feed-back so it's kind of fun to go out to the zoo when I blame that as a day off and go and check on that account so...

Councilman Weaver: Hey Scott, during the Home Show I had a lot of people come up to me about discolored ceiling tiles. I can't imagine there's a roof leak but is there some

sort of condensation issue happening with the HVAC system? Has that been addressed? Have those tiles been changed out?

VenuWorks Executive Director Schoenike: Exactly. Well a...yes and no. Yes it is condensation; it's not a roof leak. It's actually condensation off the HVAC systems and they're trying to insulate some of those. But also sometime you're actually chasing. As you insulate one pipe, it just pushes it down to the next thing and so then you'll see 20 feet down it will discolor that tile so you're a little bit chasing that so I know the Building Authority's working on it but also a little bit as you fix...it's a normal plumbing project. You fix one it just pushes it down to the next crack in the insulation or, you know, uninsulated piece and then it drips back down on to a ceiling tile.

Councilman Weaver: So is there a total remedy to this or...?

VenuWorks Executive Director Schoenike: Probably not. I mean at some point you'd hope that you kind of get it all sealed up but you know those...the humidity levels up in the upper...above the ceiling tiles sometimes they're just going to reach that. It fluctuates.

Councilman Weaver: It just causes a lot of concern. People are like, "Holy cow, this is brand new and look at the ceiling", you know?

VenuWorks Executive Director Schoenike: Yeah, if you notice they do move around but that's cause as they chase 'em, they're actually chasing 'em around. As they fix one, it moves down the next hole and part of that goes back to what Randy even was talking about: our LEED Certification at the Ford Center. Your utility bills generally, in summer I flipped the switch and shut it off. Those systems aren't designed to shut off in the summer cause that's how I'd fix it at most buildings; I'd just shut off the system. I wouldn't have any condensation. But it's an automated system that you have to be real careful when you shut it down cause getting...it's not really designed to go off and on and up and down and control the whole system. It's meant for even disbursement. They're working on but at some point maybe you'd think that, you know, it'll be contained but the water still has to go somewhere so you just have to find places for the condensation on the lines.

Councilman Weaver: All right. Thanks.

President Friend: Other questions? Anybody in the audience? Yes.

Maureen Mattingly: My name is Maureen Mattingly again and first of all I want to wholeheartedly disagree with assessment of the inventory of concerns out there. I've been to four concerts this summer, all in other cities. Me and my friends, we go there,

we eat at restaurants, and we stay in hotels. They're not...only one of 'em was so big that it couldn't happen in Evansville; that was Paul McCartney, but everything else could have happened here. And you say that it's not financially worth it because the expenses outweigh the income but I thought we had a policy of put the heads in beds. They pay the restaurant tax, the pay for hotel/inn keepers' tax. I mean an event would do something.

This really upsets me because I have a kid in high school who is going through his entire high school years without a single local concert to go to that he wants to go to. This is not how I grew up but, you know, I take him out of town. I take his friends out of town and wouldn't it be nice if some people in these outer areas brought their kids or came to concerts here, even if you don't make a billion dollars on the event, wouldn't the whole city benefit from having more events there?

Councilman O'Daniel: What suggestions do you have? Cause I mean...

Maureen Mattingly: What...what kind of relationship do you have with touring managers? Does somebody for VenuWorks go out and book or do you have an agent that handles these things because seems like a lot of other venues are doing a lot better this summer. A lot better.

Councilman Adams: What were the show that you saw outside of Evansville? The four that you went to.

Maureen Mattingly: Ah, well Paul McCartney, surely he wouldn't happen here, but Dwight Yoakam as a headliner, Fall Out Boy, and Willie Nelson. Oh, and I'm going to see the Gin Blossoms next week in St. Louis at Baseball Village.

You know like five years ago, I saw 38 Special out...down on the riverfront, right outside Tropicana. I mean if the Ford Center can't get it done, maybe we should, you know, book something because that was a good space. It was packed, and you know, kind of miss that kind of stuff around here.

VenuWorks Executive Director Schoenike: I can answer some of those. Actually, Dwight Yoakam was an opener for one of our acts so obviously when he headlined, he won't come back that soon.

Ah so, you know it also depends on...you know we're bidding against those same cities. Fall Out Boy was a good one. Unfortunately Evansville, as much of diverse of events we want, Evansville's known as a country market and so when we go head to head, even if we offer the same or match up, there's more markets that sell more tickets in active rock and that's the other way we can lose so it's not like we're not bidding on 'em, it just

means we're not winning 'em and the only way to win 'em is how far do you want...how much do you want to spend to get them.

President Friend: Scott, I was at the...when Journey came to Evansville, you only had like 1200 people there. Is that right? 1200? Something it was...

Unidentified Speaker(s): Journey.

VenuWorks Executive Director Schoenike: Journey I think we had...we had...I think we had more than that.

President Friend: Well whatever it was, it wasn't very packed out.

VenuWorks Executive Director Schoenike: We didn't sell it out, no.

President Friend: No, I was up there in Indianapolis with them and they had Steve Miller Band combo together up at the...it was at Klipsh, yeah. That was...there was got to...there had to be 30,000 people there. I never seen a concert before in my life like that.

VenuWorks Executive Director Schoenike: Well in the summer the amphitheaters... there's certain groups that that's all the play is the amphitheaters and that's, you know, and that's part of the summer why events don't happen in the summer. I think the one was at the baseball stadium. That's because certain tours go outside. That's what they play when you're...they don't go in arenas in the summer. So there's a lot, I mean, there's a lot of different circumstances. We're bidding on most of 'em, you know, or at least we're involved, but a lot of 'em be like Steve Miller and Jour...I mean that wasn't even on the table for that. Steve Miller looking at coming out in the fall. We're looking at bids, you know, we're bidding on stuff like that so you'll see it ebbs and flows and you know it's not that we're not bidding on 'em. It's just that a...and you know, when we do bid on 'em we have to overbid the other markets because they understand that they're not going to ever...they're not going to do as well here. We're on the lower third, of other than country, the rest of our concerts are on the lower third of the tours at gross sales so, you know, one biggest thing if people want more concerts they need to show up to the ones that happen. Even if they're on the fence they need to come out to those cause that...that...it's why country does well here is because country does well. The promoters what to bring more country in. They bring in Five Fingered Death Punch, they do 1500 people. That doesn't enthuse any promoter to bring another active rock band back here so...

Councilwoman Brinkerhoff-Riley: Why couldn't we get any country then over the summer? I mean it doesn't seem like country plays throughout...country music isn't

popular everywhere, you know, so...in terms of the further north you go you may...other venues that are more rock active or whatever.

Councilman O'Daniel: They do a lot of state fairs though.

Councilwoman Brinkerhoff-Riley: Is that what the deal...

VenuWorks Executive Director Schoenike: You got country fairs, state fairs, amphitheaters.

Councilman O'Daniel: Yeah.

Councilwoman Brinkerhoff-Riley: It's the same thing; they want to go outside?

VenuWorks Executive Director Schoenike: There's more...

Councilwoman Brinkerhoff-Riley: Makes you think a...

VenuWorks Executive Director Schoenike: More seats.

Councilwoman Brinkerhoff-Riley: How...if you...if Mesker Amphitheater was up and running, could you sell that all summer long?

VenuWorks Executive Director Schoenike: I don't know about all summer long but...you know, and that's something Steve Schaefer had asked for me to be taking a look at, I think last week it was. We were going out there and also being out there now positions us into a unique spot of doing the zoo to take a look at that, but it's going to need to have at least a basic infrastructure...

Councilwoman Brinkerhoff-Riley: Oh yeah.

VenuWorks Executive Director Schoenike:...to handle that but, you know, that'd be something...is there some way what we can do to cobble something cause I think, you know, an outside venue of, you know, 7,000 people...actually if...competing that against the Ford Center in the summer actually would probably beat the Ford Center most of the time, just being outside, looking at the same number of people.

Councilwoman Brinkerhoff-Riley: Right, and if you look at Phase I in that Mesker plan, you know, about six million of that ten is tied into new bathrooms and a new canopy. If you look at the cost of just bringing things up into compliance and working on basic...I mean that was only about three or four years mil...I don't know if it needs a canopy. I have not physically gone out and looked but I just say the canopy was about

4...4.5 to...I mean it was a huge expense and then also building new bathrooms and a new concession area so a lot of that Phase I was the canopy and new bathrooms but... you looked at the repairs that the Mesker...that Mesker needed, those expenses were only about three million.

VenuWorks Executive Director Schoenike: The canopy, actually, is the most important piece of it.

Councilwoman Brinkerhoff-Riley: Is it? Okay.

VenuWorks Executive Director Schoenike: It's especially come in...when I first came here I kinda started eyeing out...

Speaking Simultaneously

Councilwoman Brinkerhoff-Riley: I want that figured.

VenuWorks Executive Director Schoenike:...about three years ago eyeing out Mesker and then the Indiana State Fair happened when it blew down that temporary stage and that changed all the rules on that so I basically...I kind of put that to bed until that cause that's actually one of the plans: just tear off the top and use the state and put temporary covers on that and once that happened there, that's a no go now. You'll have to build a permanent structure out there that meets all code so I mean three years ago I probably would have gave you a different answer than I do today.

President Friend: Thank you Scott for coming out.

VenuWorks Executive Director Schoenike: Thank you.

President Friend: Yes, next up would be Jackie Russell. Is Jack...Jackie, come. I guess Director of Holly House. Thanks for coming out Jackie.

Holly's House Director Russell: Thank you very much. Jackie Russell. I am on the Founding Board of Holly's House. I'm the immediate past president of the board and also the Development Chair and I just wanted to introduce a few people that I have with me today. We have Sidney Hardgrave. She is our Executive Director. And I also invited Brian Turpin who is our co-founder and he is a sex-crime detective with the Evansville Police Department. And then I also wanted to recognize...we have a few board members in the audience, if you will stand. So we have Kathy Boyd, Jonathan Boyd, and Greg Schulten. Thank you for being here and supporting us as well because this is a very important thing for us.

We have been in business now, or have been established, for almost six years. I think the staggering thing that, for me as a community member, is that the statistics about

intimate crimes with children in our community. One in ten children will be sexually molested by the age of 18 and I didn't really understand that until I started talking to Brian and he was telling me the statistics in the Evansville area and the fact that we could probably easily triple those numbers because one case can produce seven...at least multiple children that have been affected by person that is under trial, so it's just staggering to me.

So to give you a few other statistics: 400,000 children are sexually abused every year. 93 are abused by someone they know and trust so you know the old days of *stranger danger* are really not occurring anymore. Only 27% of children will tell someone about the abuse within the first year of its' occurring. Only 53% of reported incidents are investigated by the Child Protection Agency. Only 29% of reported incidents lead to an arrest. Children who have been abused and do not receive intervention are three times more likely to abuse drugs or alcohol and two times more likely to drop out of school. So there goes the production, or the productive people, in our society.

So Holly's House is really a *victim advocate center* so we operate using the model established for the child advocacy centers, Holly's House is a...really a child centered, a focus center that coordinates the investigation, prosecution, and treatment of child abuse while helping children heal.

The CAC's model emphasizes bringing together multiple professionals and agencies to create a child-focused approach to child abuse cases with investigation and follow-up care. By offering a full range of services in one setting, the child's needs are given the priority in a facility designed to create a sense of comfort, security, and safety. There are now over 750 child advocacy centers in the United States. There are actually 24 in Indiana.

So by streamlining the process and creating efficiencies, CACs can actually save as much as much a thousand dollars on the cost of investigating abuse for each child abused. Holly's House is really the threshold agency for both child and adult victims of intimate crimes, to report the crimes and connect with other services to meet their emotional and immediate needs.

So in doing this, we also collaborate with a lot of other people in the city. Law enforcement and the Department of Child Services to coordinate the investigating of the child abuse or other intimate crimes using a single interview method that lessens the psychological trauma for the child.

Albion Fellows Bacon Center provides support counselling services for our children, and also the families, because what you find is the child is not only affected but so is the family and so there needs to be care and counselling throughout that family network.

And the Lampion Center provides mental health counselling. Albion provides, also, some moving if people need to get out of a situation, so they'll relocate those people along with some general advocacy.

And then we also partnered with St. Mary's. They began providing medical exams for child abuse victims in 2013, utilizing a fully functional examination room in our facility so as a result, we can eliminate the time and the anxiety a child would experience in going to the emergency room. And we actually had a few instances where a child had to go... was referred to Riley for a cheek swab. So in a city this size, that's really unacceptable so that's how we started getting traction on the medical examination room and got that in...up and running in 2013 so we are really excited about that.

And really, the facility itself was a labor of love and what I most proud of this city about is the fact that when something happens, everybody comes together to fix it. This facility was built...can be built and supported with really no extra cost to the City. The renovation was completed through the labor donated by the South Western Indiana Building Trades and these are the people that were in the trenches every day on the off time. They took vacation, they missed two football seasons of Monday Night Football and Sunday Night Football but, you know, it was a labor of love for these people and they were so, so passionate about it. There's a number of stories about people that were there at midnight, and not only that, but that give their personal money and they continue to support us because it is a much needed facility in our community.

So when this was originally donated to us, the facility was worth about \$450,000. It was donated to us and then the improvements that we put in with the help of the donated labor from the trades unions, this building is now worth over a million dollars so we're taking good care of the facility as well.

So what this has allowed us to do is really to start our agency and our facility with zero debt, and for those of you that have been on other charity boards, as I have been, sometimes that's the biggest drag on a budget so we are very fortunate that we owe no one anything at this point so that is something that we are very blessed with and it's really the result of this community.

So some statistics: Now that we're...we've completed five years of data that I wanted you to know about this community is that we have served over 1700 victims in Vanderburgh County; 83% were children. For the children served, 70% are female and 30% are male. Most children are between the ages of three and twelve. Ninety-seven were abused by a family member and someone that child knows. So with the allegations that have come forth, 75% of those that we served have been for sexual abuse and 13% were witness to a domestic violence, child abuse, or other serious crime, which is interesting.

I think the staggering thing for me at this point is that we are making a difference but with five years under our belt, what we are determining is that there is a new trend that's happening. What you find is that, generally, children that were sexually abused will end up repeating that process as an adult to someone else if they don't get intervention. What we have found, with five years of our data, is that we're now seeing that repeat more quickly, so now we are seeing children perpetrating on other children and that is a problem.

And we learned early on that we can't just play defense; we have to play offense as well. How do we keep this from happening to other children? We can't just sit and wait for them to come in. How do we go out and make a difference and make sure that these children know that this is not a normal part of life; you have been taught this incorrectly, and to teach them about the lures that can happen so that they are...can trust their gut. They know what their private zones are. So what we did was, in 2011, or the fall of 2010, we started a prevention education program. It is free to schools. We've taught over 8100 students in Vanderburgh County since April of 2010 and we've actually taught over 14,000 children in four counties and that has brought about a number of disclosures.

We have taught classes in 30 out of the 38 public and private schools in Vanderburgh County and we received national recognition for the program through the Child Lures Prevention newsletter that is a national newsletter for our program, and I've had an opportunity to sit in a classroom and witness it and we use the iBrain instead of the iPad so you have to use something kids really can relate to. And even if they don't have an iPad, they know what it is. And so each day, it's a five...thirty minutes for five days and they're tested on what they learned the day before, and so they get to color an app, and they learn all about each app, and it's...it's a really interesting way that we can engage children and get them to understand. And we've had teachers that have just...we want you back every year. So as a consequence of that, we've had to hire another foren...we have two forensic interviewers but then we have also two prevention educators as well.

So I think the staggering thing is that we do all of this and our budget is just barely over a half a million dollars and we have seven staff members so we're really doing a lot and making a huge difference in our community with very few people and that just tells you how passionate these people are. They don't just work a 40-hour workweek; it's a part of their life so it's tremendous and they don't get enough credit but I'm pretty excited about it.

And just recently, we have a multi-disciplinary group that we meet with and we talk about what are the issues, what are the gap issues that our victims have when they're going to court, and so we, as a result of that, we hired a service coordinator that's there to help people understand what their rights are, not get them legal consultation but just

be an intermediary among all the people that they're talking to so that they stay engaged and know what's going on with the process.

Holly's House is supported solely by private donations and grants and we do not charge any of our victims for any services that they receive at our facility.

Since 2010, the employees of the Police Department have given over \$46,000 out of their own pocket. These are the people that are on the front line and actually see what's going on so they are a testimony for us that this facility is so important in our community. They believe very strongly in our mission. As an experience sex-crime detective, Brian Turpin is here to share the importance of these services in our community so I would ask for Brian to step forward.

EPD Officer Turpin: Thank you all for allowing me to speak. One of the things that I want to do is take you back to how it was before Holly's House. When I first came into the unit if a child was molested or, you know, a woman was sexually abused or beaten, they either came to the Evansville Police Department to be interviewed or they went through the Department of Child Services, which at that time did a lot of different functions. So these people are sitting in the lobby of the Police Department with people getting gun permits, filing Internal Affairs complaints, and even suspects so they're sitting alongside there and if you could imagine if one of those people getting a gun permit, or a background check, or whatever, went to school with you and turned to you after your child had been molested and your sitting there and they say, "Hey, what are you doing here?" Would you be able to say to them, "Well, my child got molested so I'm waiting to talk a detective"?

What I really wanted to happen was I wanted the only people for them to come in contact with are people that are here to help them and I can hand people a pamphlet all day after the interview and say, "Hey, you need to get your daughter into therapy immediately". They are just so impacted at that point, overwhelmed, they're not going to remember to read that. They're not going to make the contact. They make the contact immediately. The child discloses; they're connected. You know, we have people that help them right there from Albion and Lampion Center.

We've never duplicated any services that are already provided. We came alongside so it's truly something they've done a phenomenal job with, stewarding over these past few years but I want to tell you the first child that came through the door of Holly's House was a girl who came in with her mom. They walked in; they'd heard about us on the news the week that we opened. That guy confessed to molesting that girl and nine other kids over a 45-year period. The last thing he said to me was, "You got to talk to my wife. I'm sure there are more victims, I just can't remember 'em all. She's got a better memory than me". His name is Larry Mitchell if you all want to look that case up.

You know it's horrific that it went on for that long; nobody told. Next day I get in after we put his picture on the news. Half of my voicemails are from people saying, "The man's a saint", "Kids are around him all the time and they love him". And then the other half are from people saying, "I've never told anybody", or, "I've only told my spouse", you know, "Please don't tell anybody that I'm one of his victims", and, "Please tell that child that I'm grateful she had the courage to come forward. Maybe now it'll stop".

So these people doing this, the fact generation after generation, I'm incredibly impressed by our unbelievable community. They've always stepped up to back good causes. They're probably some of you sitting here now that have been affected by this or a loved one of yours has been affected by this. If not, then...and you think you don't know anybody that's been affected by it, you just don't know anybody that's comfortable enough to tell you. I mean the statistics bear it out. All of us know somebody close to us that this has happened to.

The last thing I want to say is, in addition to our community stepping up and backing us, the department that I work on sees the ripple effects of these crimes, sees the victims that haven't gotten help 20 years from now and their struggle to get through life. I mean they stepped up and they've given their hard-earned money. I mean you heard her, over \$46,000 in the past four years, tens of thousands of dollars, and they are doing it just to try to end the nightmare 20 years down the road. You know, we realize there are a lot of people that are lost right now because of what happened to 'em. We don't want to repeat this; we want to end it so thanks again. I appreciate your time.

President Friend: Thank you.

Holly's House Director Russell: Thank you Brian.

In closing I'll just say that our mission is to empower victims of intimate crimes and abuse by providing support, promoting justice, and preventing violence. And we can't bring back the innocence of our children that happened in these situations but we can help them begin to heal emotionally and to rebuild the foundation for a better tomorrow.

On behalf of Holly's House, we are asking the County Council, or City Council, to consider further investing in our community with an annual grant to help sustain the vital services that our child advocacy centers and adult advocacy victims are dealing with in intimate crimes.

So we certainly appreciate the opportunity to come and talk to you about this and I entertain any questions or comments that you might have or any of the community.

President Friend: Do you get any help from places like Catholic Charities or from United Way or anything like that?

Holly's House Director Russell: We are not a United Way agency. It's purely private donations and grants.

President Friend: You have a 501C3?

Holly's House Director Russell: Yes.

Councilwoman Brinkerhoff-Riley: I just wanted to thank you for coming. I mean I'm so impressed with what Holly's House does. I mean I do...I practice family law a little bit of previously practice some criminal defense and I've been on both sides of the issue and for, I mean ten...I mean we just like...Officer Turpin was describing. I mean it was it was just a completely different process and the ability now...I think part of what we're finding out because more people are coming forward, you know it's shocking but you know it's...it's such a wonderful thing that people, especially children and women, that they've got a safe place to go because it is so hard to admit, there is so much shame related to rape and molestation. Well, you know, the really small kids can't tell you and there's so many of those cases that don't yield a conviction. And then older children and women are often so trapped in shame that anyone would know that they won't come forward and the, you know, breaking down that stigma that's it's okay and that frankly, I mean, I'm sure there are people in this room that have been victimized. I mean that's how common those statistics are and it's just so nice to see a place, and I hope we do find a way to bring you an annual grant. Thank you.

Holly's House Director Russell: I appreciate it. I think we're one of the agencies that we don't really have a lot of victim testimonials. It's, like you said, it's something that they're ashamed about and they don't want to come and talk about it to anybody, even if it's to raise money. It's personal. That's why I brought Brian today because they're the biggest testimonial cause they see it every day and our job is to make sure that we can continue to keep this facility here.

President Friend: What I think is so great is the fact that we have Evansville Police Department that is donating their money from their own paychecks into this so obviously they been averaging what, about 10, 12 thou...12 thou...10 to 12 thousand a year?

Holly's House Director Russell: Yes.

President Friend: Yeah, it would be nice if the City would match that up to a certain number, like twenty thousand, or something like that would be nice. Match up what the police place then we'd match it up to a limit.

Holly's House Director Russell: That would be wonderful.

President Friend: Any questions?

Thank you Jackie, for coming out tonight.

Holly's House Director Russell: Thank you very much.

President Friend: Okay, I guess one more. We have I guess...Debbie Dewey was supposed to come tonight. I think she said she was on vacation. She had somebody...pardon me?

Unidentified Speaker: *(Off Mic) (Inaudible)*

President Friend: Yeah, I don't think she...think her representative was going to come from GAGE here or not? Guess not. I guess we'll hold that over the next time.

Ah, let's go. Is there any other Miscellaneous Business? Yes.

Councilman Lindsey: I got one little thing here. Ted, could I...could I ask you to come up for just a second?

City Attorney Ziemer: Sure.

Councilman Lindsey: I guess you're the guy I should talk to. I don't really know.

I've been made aware of this George L. Mesker Music Trust Fund and I was wondering if you could possibly research that for me and...is that...would that be something you could do? And get me a copy of the original trust...

City Attorney Ziemer: What do you want to know about it or...

Councilman Lindsey: Well I want to get a copy of the original trust and any changes that were made. Maybe any amendments or change in language. Could you...could you do that for me?

City Attorney Ziemer: We'll be happy...we'll be happy to take a look,...

Councilman Lindsey: Okay.

City Attorney Ziemer:...see if we can find anything.

Councilman Lindsey: That'd be great. I guess you're the guy I should talk to so that would be great for me.

City Attorney Ziemer: Yeah, we'd be happy to do that.

Councilman Lindsey: Thank you Ted. Thank you.

President Friend: Anything...anybody else?

Okay, Committee Reports. A.S.D.

A.S.D. Committee Chair Adams: *(Off Mic) (Inaudible)* little quandary because the parking amendment to the code is...*(Mic On)* This amendment has stirred up a bunch of comment. This Thursday at 4:00 p.m. the Area Plan Commission will hearing comment from the various areas downtown, up on the North Main end, out on West Franklin and I think that they will be making some suggestions to alter the actual ordinance as a...as it sees right now. I don't think they want to do it but it's going to take some time and what I've heard from Stacy Stevens is that she wants to get that in this session and maybe come up forth and change things so it's in a better shape for that but I still think we've got to be able to bring it back to you, back to us here, within the 60...60 days is it after the First Reading so as soon as it's okay, I'll...for now I'll table it and bring it forth as fast as I can.

President Friend: Okay. Thank you Dr. Adams.

COMMITTEE REPORTS:

FINANCE COMMITTEE:

CHAIRMAN O'DANIEL

Re: **Joint City/County Budget Hearing**

Date: Wednesday, August 20, 2014

Time: 3:30 p.m.

Re: **City of Evansville Budget Hearings**

Date: Monday, Tuesday, Thursday, & Friday
August 18-19, 21-22, 2014

Time: 2:30 p.m.

Re: **Ordinance F-2014-10**

Date: August 25, 2014

Time: 5:00 p.m.

Notify: Russ Lloyd, Jr.

Authorizing Transfers of Appropriations,
Additional Appropriations and Repeal
and Re-Appropriation of Funds for
Various City Funds

Re: **Resolution C-2014-21**

Date: August 25, 2014

Time: 5:05 p.m.

Notify: Debbie Dewey, GAGE

Declaring an Economic Revitalization Area for Property Tax Phase-in for the Construction of Real Property (HK Partners, LLC)

Re: **Resolution C-2014-22**

Date: August 25, 2014

Time: 5:10 p.m.

Notify: Chris Kinnett, GAGE

Confirming the Declaration of an Economic Revitalization Area for Property Tax Phase-In for the Construction of Real Property (Traylor Bros., Inc.) 835 N. Congress Avenue, Evansville, IN

Re: **Resolution C-2014-23**

Date: August 25, 2014

Time: 5:15 p.m.

Notify: Chris Kinnett, GAGE

Declaring an Economic Revitalization Area for Property Tax Phase-In for the Construction of Real Property (Pollux Systems, Inc. and Tri-State Orthopaedic

Re: **Resolution C-2014-24**

Date: August 25, 2014

Time: 5:20 p.m.

Notify: Shance Sizemore, GAGE

A Preliminary Resolution of the Common Council of the City of Evansville for the Establishment of the Economic Revitalization Area for the Transfer of Tax Abatement for the Relocation and Installation of Existing Manufacturing Equipment (Sugar Steel Corporation) 5401 Highway 41 North, Evansville, IN. Formerly located at 3350 Claremont Avenue, Evansville, IN 47712

Finance Committee Chair O'Daniel: So I think that's what we've got going on. Anything else, Russ, on that? I see you have budget books there which you'll be passing out and I appreciate the work that your office did today. I stopped in to see what was going on and they were finalizing those things so I think Councilmembers be able to pick those up as we leave this evening. That's it.

President Friend: Thank you Conor.

PUBLIC WORKS COMMITTEE: **CHAIRMAN LINDSEY**

Nothing scheduled at this time.

President Friend: Thank you Al, appreciate that.

ADJOURNMENT

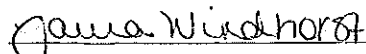
President Friend: With that, I'll entertain a motion for adjournment?

Councilwoman Mosby: So moved.


Councilman O'Daniel: Second.

President Friend: I have a motion made by Missy and seconded by Conor. Aye? Ayes?
I figured we were done.

Meeting adjourned at 7:33 p.m.



Laura Windhorst, City Clerk



John Friend, President